

FRESENIUS MEDICAL CARE

SULPHUR SPRINGS, TX





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Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a Net Lease property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any Net Lease property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this Net Lease property.

SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap's principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.

OFFERING SUMMARY



\$2,032,160
LIST PRICE



6.50%
CAP RATE

FINANCIAL

List Price	\$2,032,160
Cap Rate	6.50%
NOI	\$132,090
Price/SF	\$248
Rent/SF	\$16.12

OPERATIONAL

Lease Type	Double Net
Guarantor	Corporate Guarantee
Lease Expiration	12/31/2025
Square Footage	8,194 SF
Lot Size	1.16 acres
Occupancy	100%
Year Built	2005



FRESENIUS MEDICAL CARE

Medical Drive, Sulphur Springs, Texas

The subject offering affords both new and experienced investors the opportunity to acquire a corporately guaranteed, double-net Fresenius Medical Care (NYSE: FMS) property located along a high density medical corridor in Sulphur Springs, Texas. The 8,194 S/F building was a built-to-suit for Fresenius in 2005 and sits right next to CHRISTUS Mother Francis Hospital, the primary medical facility for all of Sulphur Springs. The lease, which was recently renewed, has just under 5 years remaining on the primary term and boasts two (2) 5-year options with a FMV increase in each option. Sulphur Springs sits just east of Dallas, Texas and has a growing population of almost 17,000 residents. With limited dialysis competition and fantastic proximity to the region's medical center, this is a key location not just for the tenant but for dialysis services in general.

Fresenius Medical Care has performed extremely well throughout the COVID-19, and this impressive performance is poised for continued growth on account of their recession-proof business model, backed by a proven history of inelastic demand.

Investment Highlights

Double Net Lease

Corporately Guaranteed

2005 Construction

Lease Term: 4+ years, with two 5-year options

NOI: \$132,090

FINANCIAL DETAILS

THE OFFERING

Price	\$2,032,160
Cap Rate	6.5%
Price/SF	\$248

PROPERTY DESCRIPTION

Year Built	2005
Building Area	8,194 SF
Type of Ownership	Fee Simple
Lot Size	1.16 acres

LEASE SUMMARY

Tenant	Fresenius Medical Care
Guarantor	Corporate Guarantee
Lease Type	Double Net
Lease Commencement	4/13/2005
Lease Expiration	12/31/2025
Renewal Options	Two (2) 5-year options
Term Remaining on Lease	4 Years, 1 months
Landlord Responsibility	Roof, Structure, Parking Lot
Tenant Responsibility	Taxes, Insurance



RENT SCHEDULE

Dates	Base Rent per SF	Monthly Base Rent	Annual Base Rent
1/1/2021 - 12/31/2021	\$18.50	\$10,791.67	\$129,500
1/1/2022 - 12/31/2022	\$18.87	\$11,007.50	\$132,090
1/1/2023 - 12/31/2023	\$19.25	\$11,229.17	\$134,750
1/1/2024 - 12/31/2024	\$19.64	\$11,456.67	\$137,480
1/1/2025 - 12/31/2025	\$20.03	\$11,684.17	\$140,210



 **CHRISTUS
TRINITY CLINIC**

Access  **Physicians**

 **CHRISTUS
TRINITY MOTHER FRANCES**
Health System

CareVide 

Family Medicine

Orthopedic Clinic

Internal Medicine

 **FRESENIUS
MEDICAL CARE**

TENANT OVERVIEW

Fresenius Medical Care was founded in 1996 with global headquarters in Bad Homburg, Germany, and a U.S. headquarters in Waltham, Massachusetts. They have over 2,400 outpatient locations where they treat more than 205,000 patients yearly.

Their goal is to create innovative solutions and redefine healthcare and dialysis as we know it. There are a number of companies under Fresenius Medical Care banner including: Frenova Renal Research, Fresenius Kidney Care, Fresenius Rx, Spectra Laboratories, Acumen Physician Solutions, and National Cardiovascular Partners.

www.fmcna.com



FRESENIUS MEDICAL CARE



HEADQUARTERS

Bad Homburg, Germany
Waltham, MA



NO. OF EMPLOYEES

70,000+



NO. OF LOCATIONS

2,600+



YEAR FOUNDED

1997

DALLAS FORT-WORTH MARKET OVERVIEW



SUBSTANTIAL POPULATION GAINS

Dallas/Fort-Worth's population growth in recent years ranks among the highest in the U.S. for a major metro.



LARGE CORPORATE BASE

The Metroplex is home to 25 Fortune 500 companies and many regional headquarters, drawing workers and residents.



MAJOR DISTRIBUTION CENTER

The area's extensive network of rail and highways along with the International Inland Port of Dallas ensure its status as a distribution hub.

The Dallas/Fort Worth Metroplex is the fourth-most populous metro in the nation, with an aggregate of nearly 7.7 million residents. It is composed of 13 counties stretching nearly 10,000 square miles. The city of Dallas houses 1.3 million people, followed by Fort Worth with 864,000 residents. Strong job gains continually draw new residents to the region. Recently, Collin and Denton counties have received the majority of growth. To accommodate the additional traffic, the region's transportation network is evolving. The expansion of the transportation network is vital to supporting the substantial developments in housing, retail and industrial, all wing commuters to access the metro's numerous corporations and expanding array of industries. The Metroplex's temperate climate, no state income tax and a right-to-work labor policy attract employers. The region continually ranks high for its affordability when compared with other large metros. Four medical schools also contribute to Dallas/Fort Worth's excellent healthcare providers.

2020
Population

7.7M

Growth
2020-2025*:

8.8%

2020
Households

2.8M

Growth
2020-2025*:

9.4%

2020
Median Age

35.1

U.S.
Median:

38.2

2020
HH Income

\$71,300

U.S.
Median:

\$63,000

* forecast

DEMOGRAPHICS



Population	1 Mile	3 Mile	5 Mile
2026 Projection	1,430	13,445	18,011
2021 Estimate	1,432	13,491	17,957
2010 Census	1,433	13,423	17,721



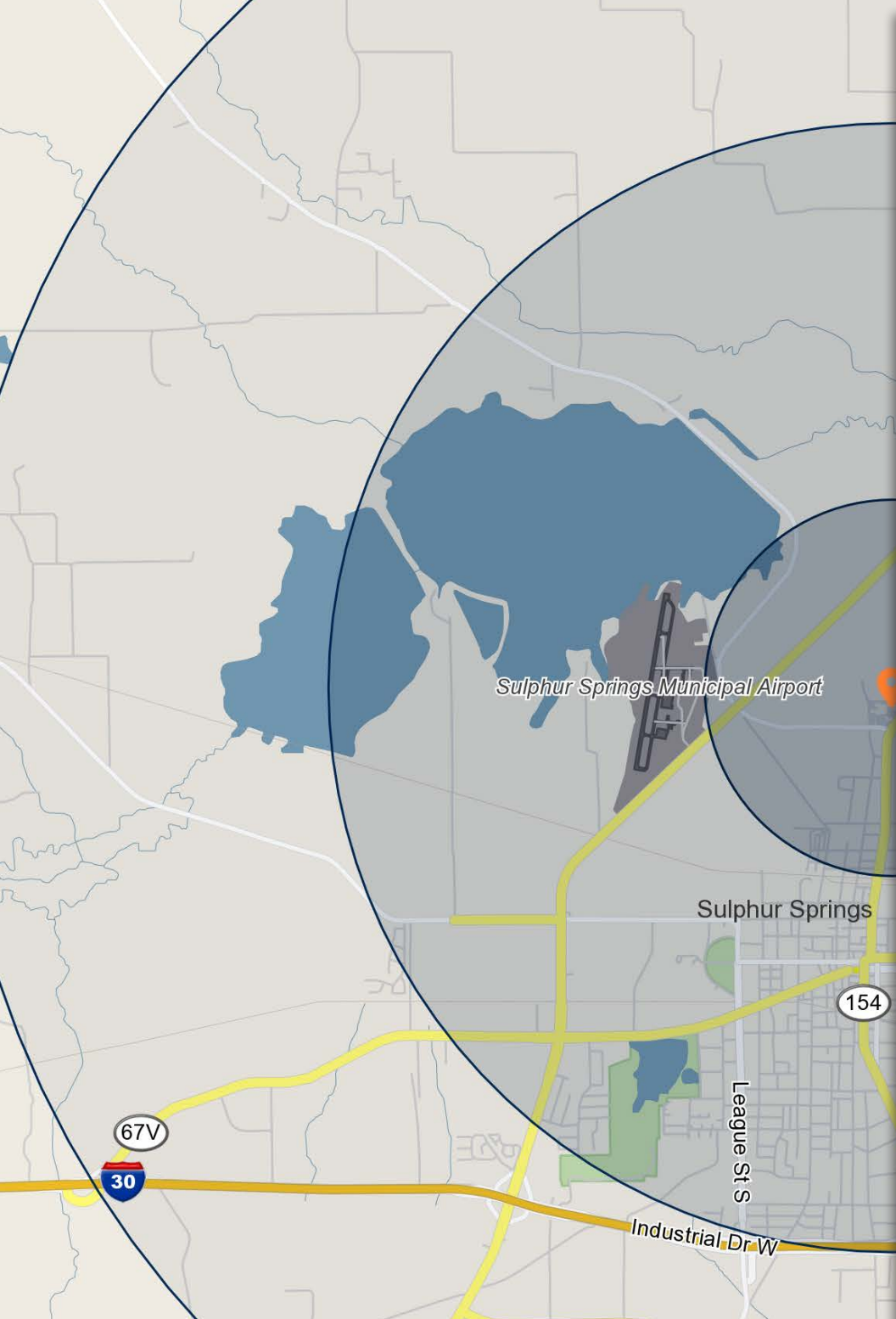
Households	1 Mile	3 Mile	5 Mile
2026 Projection	473	5,213	6,989
2021 Estimate	477	5,230	6,969
2010 Census	466	5,128	6,776



HH Income	1 Mile	3 Mile	5 Mile
Average	\$49,545	\$55,850	\$62,715
Median	\$34,443	\$39,840	\$43,668
Per Capita	\$18,578	\$21,953	\$24,601



Employment	1 Mile	3 Mile	5 Mile
2021 Daytime Projections	2,037	16,626	21,428
2021 unemployment	3.57%	4.49%	4.08%
Average Time Traveled (min)	16	20	20





Broker of Record

Tim Speck

Texas

5001 Spring Valley Rd., Ste 100W

Dallas, Texas 75244

(972) 755-5200

LIC# 9002994





Information About Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

TYPES OF REAL ESTATE LICENSE HOLDERS:

- **A BROKER** is responsible for all brokerage activities, including acts performed by sales agents sponsored by the broker.
- **A SALES AGENT** must be sponsored by a broker and works with clients on behalf of the broker.

A BROKER'S MINIMUM DUTIES REQUIRED BY LAW (A client is the person or party that the broker represents):

- Put the interests of the client above all others, including the broker's own interests;
- Inform the client of any material information about the property or transaction received by the broker;
- Answer the client's questions and present any offer to or counter-offer from the client; and
- Treat all parties to a real estate transaction honestly and fairly.

A LICENSE HOLDER CAN REPRESENT A PARTY IN A REAL ESTATE TRANSACTION:

AS AGENT FOR OWNER (SELLER/LANDLORD): The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement. An owner's agent must perform the broker's minimum duties above and must inform the owner of any material information about the property or transaction known by the agent, including information disclosed to the agent or subagent by the buyer or buyer's agent.

AS AGENT FOR BUYER/TENANT: The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement. A buyer's agent must perform the broker's minimum duties above and must inform the buyer of any material information about the property or transaction known by the agent, including information disclosed to the agent by the seller or seller's agent.

AS AGENT FOR BOTH - INTERMEDIARY: To act as an intermediary between the parties the broker must first obtain the written agreement of *each party* to the transaction. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. A broker who acts as an intermediary:

- Must treat all parties to the transaction impartially and fairly;
- May, with the parties' written consent, appoint a different license holder associated with the broker to each party (owner and buyer) to communicate with, provide opinions and advice to, and carry out the instructions of each party to the transaction.
- Must not, unless specifically authorized in writing to do so by the party, disclose:
 - that the owner will accept a price less than the written asking price;
 - that the buyer/tenant will pay a price greater than the price submitted in a written offer; and
 - any confidential information or any other information that a party specifically instructs the broker in writing not to disclose, unless required to do so by law.

AS SUBAGENT: A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES, ALL AGREEMENTS BETWEEN YOU AND A BROKER SHOULD BE IN WRITING AND CLEARLY ESTABLISH:

- The broker's duties and responsibilities to you, and your obligations under the representation agreement.
- Who will pay the broker for services provided to you, when payment will be made and how the payment will be calculated.

LICENSE HOLDER CONTACT INFORMATION: This notice is being provided for information purposes. It does not create an obligation for you to use the broker's services. Please acknowledge receipt of this notice below and retain a copy for your records.

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