



# FRESENIUS MEDICAL CARE

*IRREPLACEABLE LOCATION / PROXIMITY TO PA TURNPIKE / DECEMBER 2021 LEASE RENEWAL*







# INVESTMENT SALES ADVISORY

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Horsham Gate Center

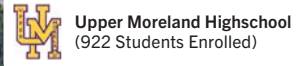


Willow Grove Pointe



I-276 (94,619 VPD)

Regency Square Center



Promenade at Upper Dublin



Prudential Dresher Office



Upper Dublin Center



W Moreland Rd (24,761 VPD)



Easton Rd (27,350 VPD)



Willow Grove Shopping Center



Willow Grove Park Mall





# OFFERING SUMMARY

WILLOW GROVE | MONTGOMERY COUNTY

PROPERTY ADDRESS

**1036 Easton Road,  
Willow Grove, PA 19090**

## OFFERING SUMMARY

Price	\$4,331,666
Cap Rate	6.00%
NOI	\$259,900
GLA	11,300 SF
Lot Size	0.96 Acres
Year Built/Renovated	1964/2011
Zoning	C2
Parking	36 +/-

## LEASE SUMMARY

Tenant	Fresenius Kidney Care
Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord is responsible for maintenance and repairs of Roof and Structure
Base Lease Term	5 Years
Lease Commencement	12/1/2011
Lease/ Rent Expiration	11/30/2026
Term Remaining	5 Years
Credit Rating	S&P- BBB   Moody's - Baa3

## DEMOGRAPHICS:

	1-Mile	3-Mile	5-Mile
Population	15,227	89,786	220,140
Avg Household Income	\$85,025	\$108,580	\$115,051
Vehicles Per Day	27,350 (Easton Rd)		

## RENT SCHEDULE

BASE TERM	Dates	Annual Rent	Increase Date	Increase Amount
Years 1-5 (Current)	12/1/2021 - 11/30/2026	\$259,900 (\$23 PSF)	12/1/2024	\$271,200 (\$24 PSF)
OPTION TERMS				
Years 6-10 Option	12/1/2026- 11/30/2031	FMV	FMV	-
Years 11-15 Option	12/1/2031- 11/30/2036	FMV	FMV	-



# THE OPPORTUNITY

## FRESENIUS | WILLOW GROVE, PA

### **About The Investment:**

- Corporate Guaranteed NN | Recent Lease Renewal in December 2021 with (5+/- Years) Lease Term Remaining
- Attractive Rental Increases + Options | Four Percent (4%) Increase in Year 3 and Two, Five (5) Year Options to Extend
- Near The Regions Major Hospitals | Abington Memorial Hospital, Top 5 Hospital in Pennsylvania (0.6 miles from Subject Site)
- Roots in the Submarket | Tenant has Occupied the Building for 10+ Years with Original Lease Execution in 2011
- Strong Corporate Guarantee | Top Worldwide Treatment Provider for Kidney Diseases serving more than 15 million patients every year

### **Tenant Highlights:**

- Global Premier HealthCare Company | Publicly traded with an investment-grade BBB credit rating from S&P
- Parent Company Net Worth | In 2020, Fresenius Medical Care generated over \$36 Billion in Sales and \$1.8 Billion in Net Income
- Extensive Health Network | Over 2,600 dialysis centers, 350 research sites, and 68 vascular centers in 150 countries
- Future First Mindset | Fresenius had their 25th Anniversary in September 2021 and hired a New Management Board in December 2021
- The 2025 Continuum | Fresenius is focused on creating the future of health care by implementing a way for performance-based models and state of the art technology aimed at creating personalized treatment

### **Location Highlights:**

- Strategic Location + Accessibility | Located at the signalized intersection of Easton Road (27,350 VPD) and Fitzwatertown Road (14,492 VPD) and within 1-mile of I-276 (104,504 VPD)
- Valuable Submarket | Subject Site is located in one of the top 10 real estate markets in Pennsylvania (Montgomery County) and within the city of Willow Grove (Top 10% Percentile in PA in terms of population)
- Strong Medical Corridor | Within 5-miles of a the Top 5 Hospital in Pennsylvania, Abington Memorial Hospital (665 Beds), Genesis Healthcare Center (Best Nursing Home in the U.S.), and Albert Einstein Medical Center (America's Top 100 Medical Centers)
- Highly Desirable Location + Demographics | Within a dense 5-Mile Trade Area, there are 220K residents with an Average Annual Household Income of \$115K
- Dominant Retail Corridor | Within a 1-mile Radius of Subject Site is Willow Grove Park (Top 10 Shopping Center in Pennsylvania), Giant Food Store (Top 25 in the U.S), Walmart Supercenter (Top 3 within a 15-mile radius), and Macy's (Top 2 in PA)
- Major Economic Drivers | Montgomery County Community College (12,800 Students), Saint Joseph's University Satellite Campus (6,779 Students), and Upper Moreland High School (922 Students)



# LEASE ABSTRACT

FRESENIUS | WILLOW GROVE, PA



**FRESENIUS  
MEDICAL CARE**

<b>Tenant</b>	<b>Fresenius Medical Care Abington</b>
<b>Guarantor</b>	Corporate
<b>Square Footage</b>	11,300 SQFT
<b>Commencement Date</b>	12/1/2011
<b>Expiration Date</b>	November 30, 2026
<b>Initial Term</b>	5 Years
<b>Option Notice</b>	(90) days prior to expiration of the current term
<b>Estoppel/SNDA</b>	Within (21) days
<b>Taxes</b>	Tenant is Responsible for Real Estate Taxes. Tenant Pays Direct.
<b>Insurance</b>	Tenant shall reimburse Landlord for Landlord costs associated with insurance premiums. Tenant Pays Direct
<b>Repairs and Maintenance</b>	4.2. Condition of Premises; Repairs and Replacements. Tenant shall keep the Premises in a neat and orderly fashion during the Lease Term. Tenant, at Tenant's sole expense, shall promptly make all repairs, replacements, alterations, or improvements to the Premises including any 3 Alterations (as defined in Article 6), fixtures, and furnishings, in order to comply with all Laws to the extent that such Laws relate to or are triggered by Tenant's particular use of the Premises. Notwithstanding the foregoing, Tenant shall not be obligated to make any structural changes to the Premises. Landlord, at Landlord's sole expense, shall promptly make all repairs, replacements, alterations, or improvements, retrofitting, or remediation needed to comply with all Laws to the extent that such Laws apply to the Premises as a whole, or any of its structural components or mechanical or electrical systems.
<b>Trash</b>	Tenant is responsible for trash removal
<b>Utilities</b>	Tenant is responsible for Utilities Expenses. Tenant Pays Direct
<b>Snow/Landscaping</b>	Tenant shall be responsible for reimbursing Landlord for landscaping and snow removal services within thirty (30) days of a copy of the invoice from Landlord.
<b>Roof &amp; Structure</b>	Landlord is responsible for maintain and repairs of Roof and Structure (10 Years Remaining on Warranty)
<b>Parking Lot</b>	Landlord is responsible for maintain and repairs of Parking Areas
<b>HVAC (Maint &amp; Replacement)</b>	Landlord is responsible for repairs exceeding \$1,500 and replacement of HVAC systems. Tenant is responsible for HVAC maintenance and any repairs under \$1,500.
<b>Exclusive</b>	Landlord shall not lease space or sell real property within a (5) mile radius of Subject Property, to any other tenant/buyer for the purpose of the Permitted use
<b>Permitted Use</b>	Tenant shall use and occupy the Premises for the purpose of an outpatient dialysis facility and related medical, office and administrative uses.
<b>Determining Option Rents</b>	3.2.1. Fair Market Value. Fair Market Value shall be defined as the then fair market rental value of the Premises, not including the value of any of Tenant's Trade Fixtures and Personal Property (as described in Section 20.2 hereof), based upon other real estate that is comparable in size to the Premises, leased for a term comparable to the Option Term, and located in buildings equivalent in quality and location to the Premises. Fair Market Value shall be based on space that is not (i) subleased, (ii) subject to another tenant's expansion or right of first refusal rights, or (iii) leased to a tenant that holds an ownership interest in or is otherwise affiliated with the Landlord. 3.2.2. Determination of Fair Market Value. Fair Market Value shall be determined as follows: In the event the parties are unable to agree upon the Fair Market Value of the Premises, then within thirty (30) days of Tenant's exercise of a Renewal Option pursuant to Section 2.2 of this Lease, each party, at its own cost and by giving notice to the other party, shall appoint a real estate broker with at least five (5) years full-time commercial experience in the area in which the Premises are located to determine the Fair Market Value. The brokers shall have fifteen (15) days to agree upon the Fair Market Value of the Premises. Any agreement reached by the two brokers shall be binding upon Landlord and Tenant. In the event that the two brokers are unable to agree on the Fair Market Value, they shall immediately and mutually select an independent third broker meeting the qualifications stated in this Section 3.2.2. The third broker's determination of the Fair Market Value of the Premises shall be made within ten (10) days, and Landlord and Tenant shall share the cost of retaining the third broker equally. The two brokers or the third broker, as the case may be, shall immediately notify the parties of their determination of Fair Market Value of the Premises, which shall be binding on both Landlord and Tenant and which shall serve as the Base Rent for the Option Term.
<b>Assignment Note</b>	Tenant shall not voluntarily assign, sublease or otherwise encumber any part of its interest in this lease or in the Premises without Landlord's prior written consent.



# SITE OVERVIEW

FRESENIUS | WILLOW GROVE, PA



**1964/2011**

YEAR BUILT/RENOVATED



**11,300 SF**

LEASABLE AREA



**.96 Acres** LAND  
AREA



**36± Spaces**  
PARKING

## MAJOR ROADWAYS

Easton Rd: 27,350 VPD

Fitzwatertown Rd: 14,492 VPD

## NEARBY RETAILERS





# TENANT OVERVIEW

FRESENIUS | WILLOW GROVE, PA

Fresenius Medical Care is a German healthcare company that provides kidney dialysis services through 2,600+ dialysis centers, 350+ research sites, and 68 vascular centers. Fresenius is the world's leading provider of products and services for individuals with renal diseases. Currently, Fresenius has 70K+ employees and helps over 205K patients in 150 countries around the world. In 2017, Fresenius partnered with two healthcare insurance companies, Humana and Cigna, in order to achieve their mission of providing higher quality and lower cost care for its wide range of patients. Fresenius created the Fresenius Medical Care Foundation, a non-profit, in order to donate and help the environmental, social, and economic conditions that increase the risk of chronic kidney disease. In 2020, Fresenius Renal Therapies Group customer support team was awarded a Customer Service award from J.D. Power.



## FRESENIUS MEDICAL CARE

### Concept Stores



**1996**  
Founded



**3,000+**  
Locations



**150**  
Countries Located



**70,000+**  
Employees



**FMS**  
Public (NASDAQ)



**\$1.8 B**  
Net Income

### Subject Stores



**2011**  
Location Opened







**(5) Years**  
Years Remaining  
On Lease



# MONTGOMERY COUNTY

FRESENIUS MEDICAL CARE

## LOCAL SCHOOLS AND COLLEGES

SCHOOL NAME	STUDENTS ENROLLED
 Montgomery County Community College	12,800 Students
 Saint Joseph's University	6,779 Students
 Arcadia University	4,000 Students
 Penn State Abington	4,000 Students

## MAJOR TRANSPORTATION



## MAJOR EMPLOYERS (MONTGOMERY COUNTY)



Main Line Health®



MONTGOMERY COUNTY  
PENNSYLVANIA







**Giant**  
1.25M Annual Visitors | 25/142 State Ranking

**Wawa**

**zoës KITCHEN**

**Extra Space Storage**

**ALDI**

**UNITED STATES POSTAL SERVICE**

**Davita**

**Willow Grove Shopping Center**  
Panera | five BELOW | JARED  
hot stuff. cool prices. | ARTS & CRAFTS  
**Marshalls** | A.C. MOORE

**Willow Grove Park Mall**  
6.83M+ Annual Visitors | 10/1,198 State Ranking  
at home | DICK'S | The Cheesecake Factory | OLD NAVY  
planet fitness | RALLY HOUSE | macys  
CHIPOTLE | FRIDAYS | Visionworks

**macys**  
1.25M Annual Visitors | 6/19 State Ranking

**Regency Towers**  
(320 Units)

**Regency Square Center**  
BONEFISH GRILL | FedEx | DXL  
Staples | DUNKIN'

**Willow Grove, PA**  
1036 Easton Rd  
**FRESENIUS MEDICAL CARE**

**GEICO**

**Easton Rd (27,350 VPD)**

**Fitzwatertown Rd (14,492 VPD)**



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Abington Dialysis  
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1036 EASTON RD WILLOW GROVE, PA

