

OFFERING MEMORANDUM

FRESENIUS MEDICAL CARE

975 E TOWNSEND RD, ST JOHNS, MI 48879



EXCLUSIVELY
LISTED BY:



**MAXWELL E.
LIPPITT**

Director

maxlippitt@landmarkcres.com
248 488 2620



**DANIEL H.
KUKES**

Principal

dkukes@landmarkcres.com
248 488 2620



**JASON M.
GREENSPAN**

Director

jgreenspan@landmarkcres.com
248 488 2620

LANDMARK
INVESTMENT SALES

30500 Northwestern Hwy, Suite 200
Farmington Hills, MI 48334
248.488.2620
landmarkcres.com

TABLE OF CONTENTS

4 OFFERING SUMMARY

INVESTMENT HIGHLIGHTS **6**

7 TENANT PROFILE

11 AERIAL

MARKET OVERVIEW **14**

15 DEMOGRAPHICS

VIEW NORTH

STRONG
COMMERCIAL
LOCATION



OFFERING SUMMARY

ADDRESS: 975 E Townsend Rd
St Johns, MI 48879

YEAR BUILT: 2014

BUILDING SIZE: 8,897 SF

LAND AREA: 2.89 AC

PARCEL #: 300-410-000-014-10

**DIALYSIS
STATIONS:** 18 Chairs



**FRESENIUS
MEDICAL CARE**

\$154,871

NOI

5.00%

CAP

\$3,097,420

PRICE

RENT SCHEDULE

TERM	MONTHLY	ANNUAL	PSF
5/1/2022 – 4/30/2023:	\$12,905	\$154,871	\$18.41
5/1/2023 – 4/30/2024:	\$13,035	\$156,419	\$18.59
5/1/2024 – 4/30/2025*:	\$12,968	\$155,641	\$18.50
5/1/2025 – 4/30/2026:	\$13,101	\$157,220	\$18.69
5/1/2026 – 4/30/2027:	\$13,227	\$158,734	\$18.87
5/1/2027 – 4/30/2028:	\$13,361	\$160,332	\$19.06
5/1/2028 – 4/30/2029:	\$13,494	\$161,931	\$19.25

****New 5-year renewal signed 10/2021***

Option 1: 5/1/2029 – 4/30/2034: Fair Market Value

Option 2: 5/1/2034 – 4/30/2039: Fair Market Value

Option 3: 5/1/2039 – 4/30/2044: Fair Market Value

OFFERING SUMMARY



4,000+
LOCATIONS

\$787.6M
ANNUAL NET
INCOME

\$10.37B
ANNUAL
REVENUE

LEASE DETAILS

TENANT:	FMC St Johns Michigan LLC
GUARANTOR:	Fresenius Medical Care Holdings INC
ORIGINAL LEASE COMMENCEMENT:	4/18/2014
ORIGINAL LEASE TERM:	10 Years (New 5-Year Extension signed October 2021)
LEASE EXPIRATION DATE:	4/30/2029
LEASE TYPE:	NN
TERMINATION OPTION:	None
RIGHT OF FIRST REFUSAL:	None
TENANT RESPONSIBILITIES:	Taxes, Insurance, All Common Area Maintenance, Roof Repair, & Parking Lot Repair
LANDLORD RESPONSIBILITIES:	Roof replacement, Parking lot replacement

INVESTMENT HIGHLIGHTS

ESSENTIAL TENANT:

- Fresenius Medical Care (NYSE: FMS) is the world's largest dialysis provider with 4,000 global locations, an annual revenue over \$10.41B and 120,000+ employees.

CORPORATE GUARANTY TO FRESENIUS MEDICAL CARE HOLDINGS INC

2014 CONSTRUCTION – BUILD-TO-SUIT FOR FRESENIUS

HIGH PERFORMING CLINIC:

- Location is open six days a week and has 18 dialysis stations

NEW LEASE RENEWAL:

- In Fall of 2021, tenant signed a new 5-year renewal (beginning in 2024) with annual 1.00% rent increases.

NN LEASE:

- Landlord only responsible for Roof and Parking Lot replacement. Tenant handles all maintenance and repair.

STRONG COMMERCIAL LOCATION:

- Subject property is directly adjacent to a well-performing Walgreens and is surrounded by national retailers such as Walmart, Kroger, Tractor Supply Co, Applebee's, Dunham's, Wendy's, Arby's, McDonald's, etc.

**ESSENTIAL
TENANT**

**STRONG
COMMERCIAL
LOCATION**

**NEW
LEASE
RENEWAL**

**CORPORATE
GUARANTY**

**2014
CONSTRUCTION
BUILD-TO-SUIT
FOR
FRESENIUS**

TENANT PROFILE

TENANT:	Fresenius Medical Care
FOUNDED:	1996
HEADQUARTERS:	Bad Homburg, Germany
STOCK TICKER:	NYSE: FMS
WEBSITE:	https://fmcna.com/
EMPLOYEES:	120,659

\$10.37B
ANNUAL
REVENUE

\$787.6M
ANNUAL NET
INCOME

4,000+
LOCATIONS

FRESENIUS MEDICAL CARE



FRESENIUS MEDICAL CARE

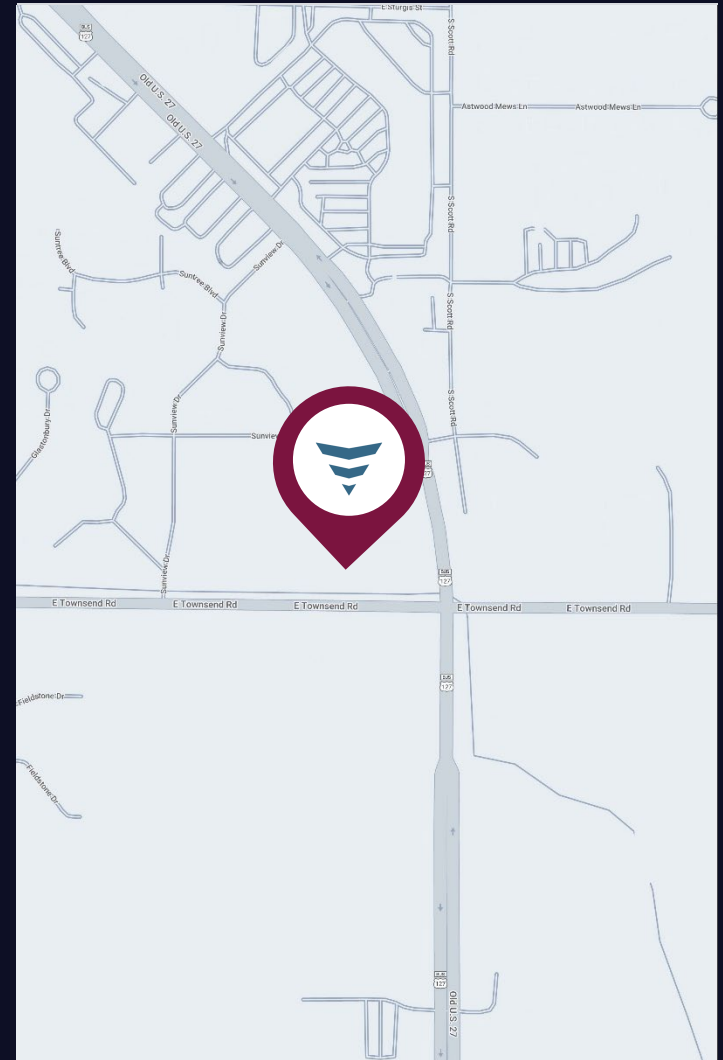
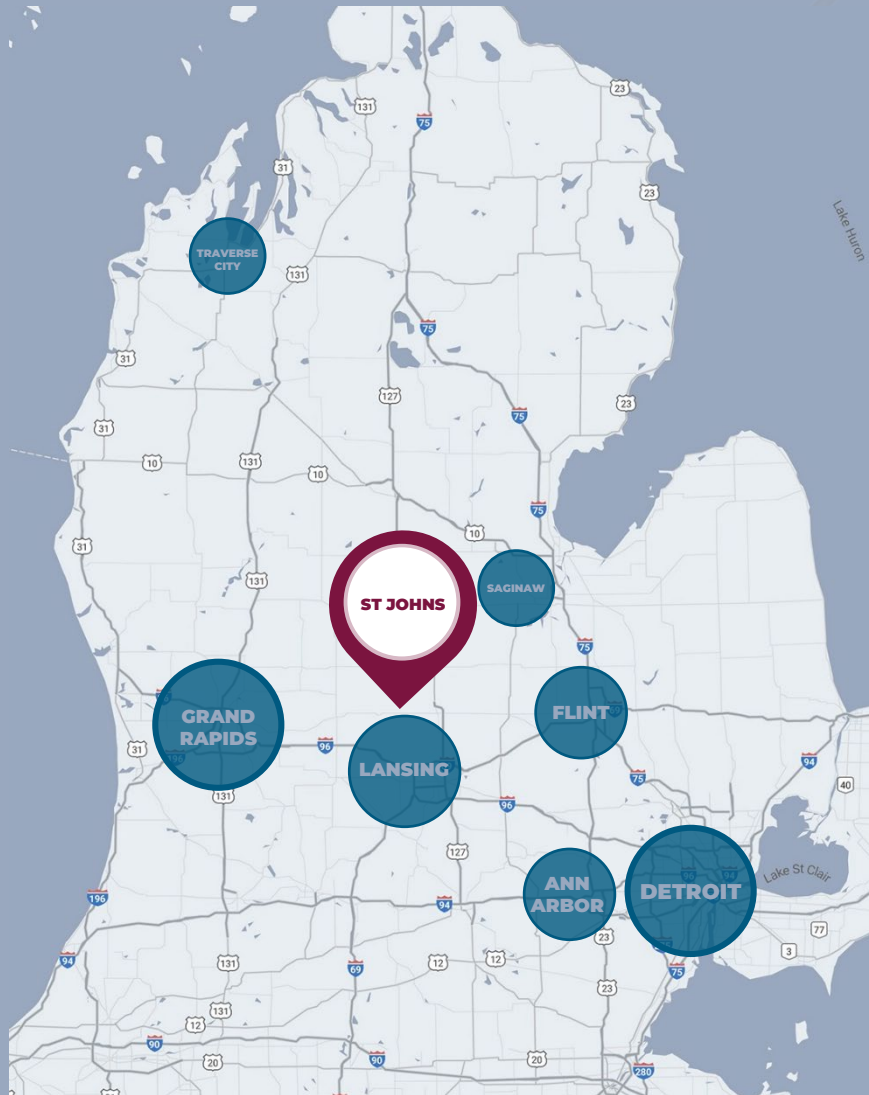
Fresenius Medical Care Holdings, operating as Fresenius Medical Care North America or FMCNA, operates a network of some 2,100 dialysis clinics located throughout the continent. One of the largest providers of kidney dialysis services, FMCNA offers outpatient and in-home hemodialysis treatments for chronic 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.



VIEW EAST



LOCATION MAP



FRESENIUS MEDICAL CARE

975 E Townsend Rd
St Johns, MI 48879

VIEW SOUTH



MACRO AERIAL



VIEW SOUTHEAST



REPRESENTATIVE PHOTOS



MARKET OVERVIEW

ABOUT ST JOHNS

- St Johns is the county seat in Clinton County and is located about 20 miles north of Lansing.
- Combining small town charm, family-friendly neighborhoods, proximity to Michigan's capital city and Michigan State University, St Johns is a community with agricultural roots, low cost-of-living, and high quality of life.
- Known as "Mint City", St Johns is Michigan's largest mint producer and is home to the oldest family operated mint farm in the United States. Each year since 1985, St Johns celebrates its mint farming heritage with the St Johns Mint Festival in August.

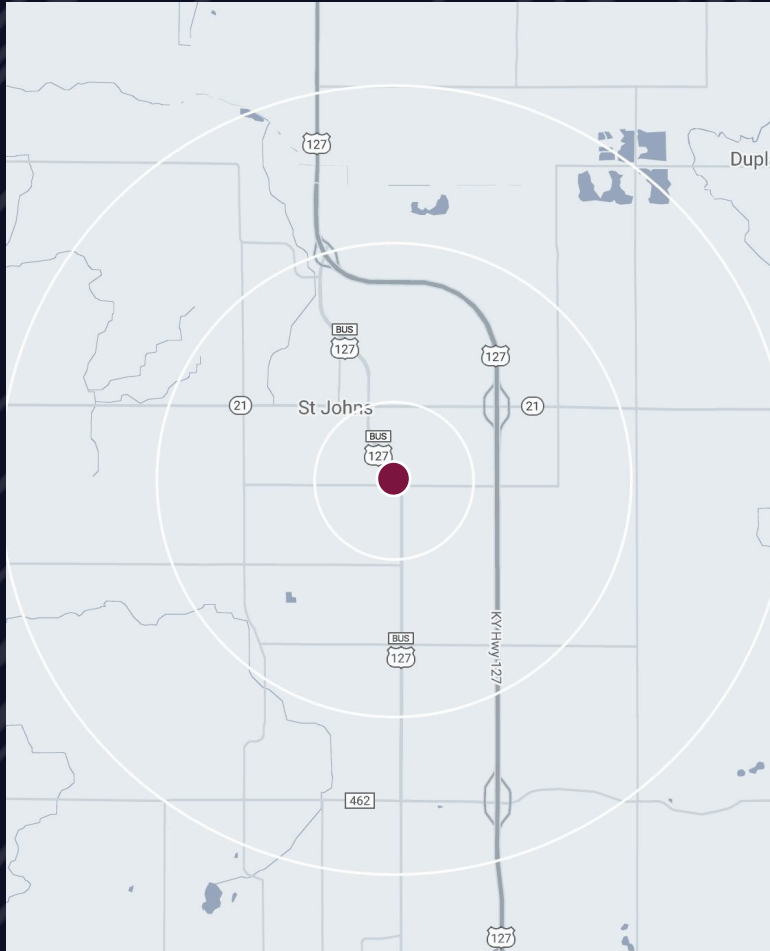
COMMUNITY & LIFESTYLE

- St Johns draws customers from 10-20 miles from surrounding communities and serves as a gateway to northern lower Michigan via US-127.
- Old US-27 is a five lane road and is the main north/south thoroughfare in the city. Retailers on the road including Kroger, Walmart, Family Farm & Home, Peebles, and Dunham's.
- Many residents of St Johns enjoy visiting the many attractions, such as the downtown farmer's market, cider mills, museums, golf courses, parks and more!
- There are many options for people to dine and shop in the city – as well as the neighboring cities, such as Lansing.

ST JOHNS | MI



DEMOGRAPHICS



FRESENIUS MEDICAL CARE

975 E Townsend Rd
St Johns, MI 48879

DEMOGRAPHICS

POPULATION

	1 MILE	3 MILE	5 MILE
2021 Estimated Population	3,222	10,300	12,614
2026 Projected Population	3,295	10,577	12,915
2010 Census Population	3,406	10,351	12,632
2000 Census Population	3,526	10,351	12,661
Projected Annual Growth 2021 to 2026	0.5%	0.5%	0.5%
Historical Annual Growth 2000 to 2021	-0.8%	-	-

HOUSEHOLDS

2021 Estimated Households	1,353	4,225	5,069
2026 Projected Households	1,367	4,289	5,135
2010 Census Households	1,427	4,241	5,073
2000 Census Households	1,410	4,057	4,865
Projected Annual Growth 2021 to 2026	0.2%	0.3%	0.3%
Historical Annual Growth 2000 to 2021	-0.5%	-	-

RACE

2021 Est. White	91.0%	90.3%	90.7%
2021 Est. Black	0.6%	0.8%	0.8%
2021 Est. Asian or Pacific Islander	0.7%	0.7%	0.7%
2021 Est. American Indian or Alaska Native	0.4%	0.4%	0.4%
2021 Est. Other Races	7.3%	7.8%	7.4%

INCOME

2021 Est. Average Household Income	\$68,562	\$75,865	\$78,686
2021 Est. Median Household Income	\$61,704	\$63,447	\$65,869
2021 Est. Per Capita Income	\$28,987	\$31,283	\$31,780

BUSINESS

2021 Est. Total Businesses	167	451	475
2021 Est. Total Employees	2,536	5,351	5,490

CONTACT US



**MAXWELL E.
LIPPITT**

Director

maxlippitt@landmarkcres.com
248 488 2620



**DANIEL H.
KUKES**

Principal

dkukes@landmarkcres.com
248 488 2620



**JASON M.
GREENSPAN**

Director

jgreenspan@landmarkcres.com
248 488 2620

LANDMARK
INVESTMENT SALES

30500 Northwestern Hwy, Suite 200
Farmington Hills, MI 48334
248.488.2620
landmarkcres.com

CONFIDENTIALITY DISCLAIMER

Landmark Commercial Real Estate Services, LLC ("BROKER") has been retained by the Owner to sell the 100% fee simple title of this asset. The Broker is the exclusive agent for the sale of this asset. The Broker has prepared the Property Information with information provided by the Owner, from sources deemed to be reliable. The Potential Purchaser will conduct its own due diligence of The Property, independently and without reliance upon BROKER of the Owner. Information furnished herein, the Offering Memorandum (the "OM") is intended solely for the Potential Purchaser and its affiliates ("Recipients") for its review of the acquisition of the Fresenius Medical Care at 975 E Townsend Rd, St Johns, MI 48879 ("Property").

All information in the OM ("Confidential Information") shall be deemed confidential. Confidential Information shall not include any information which is generally available to the public or which becomes available to the Recipients on a non-confidential basis from a source that is or was under no obligation not to disclose such information.

In consideration of Broker and disclosure of the confidential information, the recipient shall not at any time, attempt in any manner to deal directly in any manner or circumvent Broker.

Unless otherwise agreed in writing or required by law, the Recipients will not use, disclose, or reveal any Confidential Information for any purpose other than in connection with the proposed transaction to any persons or entities other than those employees, officers, directors, bankers, advisors, representatives, or agents (collectively, "Representatives") who clearly need such access to perform their employment, fiduciary or contractual duties to the Recipient and to actively and directly participate in the evaluation of the Confidential Information. Additionally, Recipients shall not directly contact anyone directly associated with the Property without the express written consent of the Owner or Broker.

Recipients agree not to contact or initiate contact with the Tenants, at any time, either directly or indirectly. Unless such approval is specifically granted in written from the Owner or Broker.

This agreement shall be governed by the laws of the Michigan, and in any action brought to enforce the terms hereof, Recipients hereby irrevocably consents to jurisdiction and venue in the Circuit Court for the County of Oakland, State of Michigan, or the United States District Court, whichever the Owner may elect. The invalidity or unenforceability of any provision of this agreement as applied to a particular occurrence or circumstance shall not affect the validity of or enforceability of any of the other provisions of this agreement or the applicability of such provisions as the case may be. This agreement shall inure to the benefit of and may be enforced by the Owner and its successors and assigns and shall be binding on the Recipients, its officers, directors, partners, agents, members, representatives and successors in interest. If any portion of this agreement becomes the subject of litigation or arbitration, the prevailing party in such suit or proceeding shall be entitled to reimbursement for its reasonable costs, expenses and attorney's fees incurred, including those incurred in connection with any appeals. A copy of this agreement delivered by facsimile transmission shall be binding on both parties.

Cooperating Broker Policy

Unless otherwise agreed in writing, neither Owner nor BROKER will pay a brokerage fee to, or share a brokerage commission with Recipient (the "Potential Purchaser"), or a related and/or affiliated party to such Recipient, attempting to act as a cooperating broker. In addition, neither the Owner nor BROKER will pay a brokerage fee to, or share a brokerage commission with, a cooperating broker representing the Recipient. The Recipient may elect to be have a cooperating broker represent them in the transaction at their own expense, unless otherwise agreed in writing by BROKER.