



Offering Memorandum

FRESENIUS MEDICAL CARE

4122 PARTNERSHIP WAY, LOCUST GROVE, VA

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Marcus & Millichap

OFFERING SUMMARY

LIST PRICE **\$3,349,496**

CAP RATE **6.75%**

FINANCIAL

Net Operating Income	\$226,091
Price Per SQFT	\$390.20
Rent Per SQFT	\$26.34

OPERATIONAL

Lease Type	Double Net
Guarantor	Corporate Guarantee
Term Remaining	5+ Years
Square Footage	8,584 SF
Lot Size	1.20 Acres
Occupancy	100%
Right of First Refusal	No



PROPERTY INFORMATION

FRESENIUS MEDICAL CARE

PARTNERSHIP WAY • LOCUST GROVE, VIRGINIA

QUICK FACTS



PRICE

\$3,349,496



CAP RATE

6.75%



LEASE TYPE

Double Net



LEASE EXPIRATION

10/26/2028

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 in Locust Grove, Virginia. The 8,584-square-foot building was a built-to-suit for Fresenius in 2013 and is the only dialysis center within a 13-mile radius, making it a critical healthcare asset in the area. The lease has five years and seven months remaining and boasts 1.2 percent annual increases. Backed by a corporate guarantee, this is a prime opportunity to enter a recession-resistant healthcare investment boasting a strong return.

Locust Grove is located right in-between Washington, D.C and Richmond, Virginia which allows this subject property to see high traffic counts at over 25,000 vehicles per day.

INVESTMENT HIGHLIGHTS

DOUBLE-NET LEASE

CORPORATE GUARANTEE

MINIMAL DIALYSIS COMPETITION

1.2% ANNUAL INCREASES

FINANCIAL SUMMARY

THE OFFERING

Price	\$3,349,496
Capitalization Rate	6.75%
Price/SF	\$390.20

PROPERTY DESCRIPTION

Year Built / Renovated	2013
Gross Leasable Area	8,584 SF
Type of Ownership	Fee Simple
Lot Size	1.20 Acres

LEASE SUMMARY

Tenant	Fresenius Medical Care
Rent Increases	1.2% Annual Increases
Guarantor	Corporate Guarantee
Lease Type	Double Net
Lease Commencement	October 26, 2013
Lease Expiration	October 26, 2028
Renewal Options	Three (3), 5-Yr Options
Term Remaining on Lease	5 Years, 7 Months
Landlord Responsibility	Roof, Structure, Parking Lot, HVAC*, Landscape**
Tenant Responsibility	Taxes, Insurance

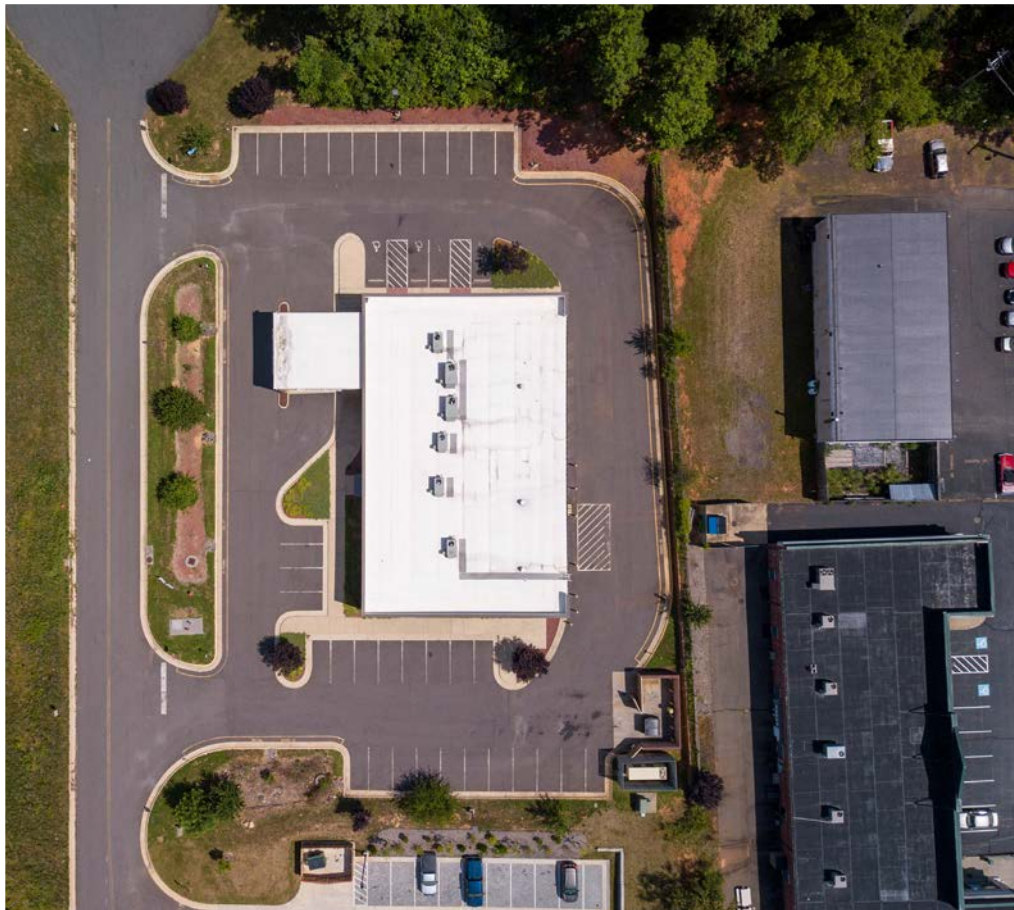
* HVAC: if expense > \$1,500/calendar year

** Landscape: Reimbured

RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	CAP RATE
Current	\$226,091	\$18,841	6.75%
10/26/2023	\$228,804	\$19,067	6.83%
10/26/2024	\$231,550	\$19,296	6.91%
10/26/2025	\$234,329	\$19,527	6.99%
10/26/2026	\$237,141	\$19,762	7.07%
10/26/2027	\$239,986	\$19,999	7.16%

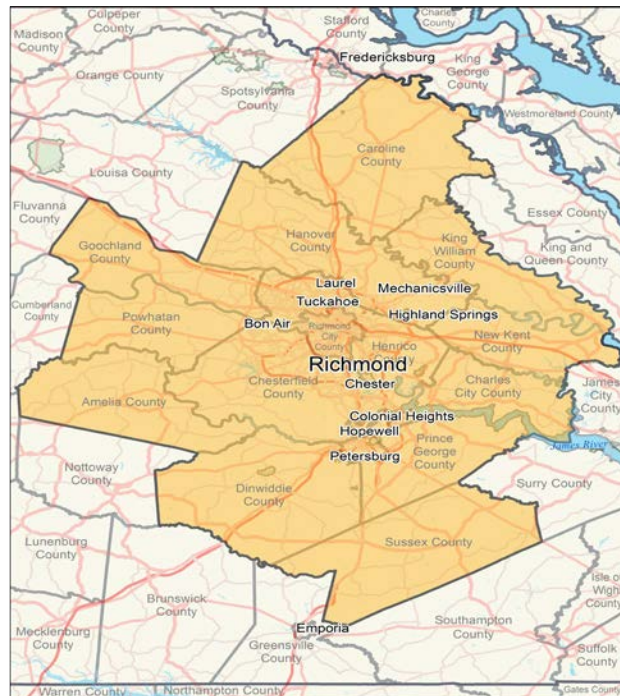




MARKET OVERVIEW

RICHMOND

Richmond is the capital city of Virginia, located roughly 110 miles south of Washington, D.C. The metro consists of 12 counties and four cities. Richmond's strategic location on the James River and a well-developed intermodal transportation network contribute to a growing logistics and distribution sector. In 2021, Amazon announced a robotics fulfillment center straddling the Richmond-Henrico Turnpike, set to employ roughly 1,000 workers. The market's educated workforce is also drawing other companies to the region, and Richmond already houses more Fortune 500 firms than some other larger metros.



METRO HIGHLIGHTS



COMMERCE CENTER

The region is serviced by Interstates 64, 85 and 95, two Class 1 railroads and Richmond International Airport, drawing distribution and logistics firms.



COMPANY HEADQUARTERS

Seven Fortune 500 firms are located in the metro, including CarMax, Altria Group, Performance Food Group, Dominion Energy and Genworth Financial.



HIGHER EDUCATION

Virginia Commonwealth University, University of Richmond, Virginia Union University, Randolph-Macon College and Virginia State University are among the educational institutions that contribute to a skilled labor pool.

ECONOMY

- Richmond's economy is diversifying from government and commerce, expanding into professional industries.
- Nationally recognized banks and financial institutions are based in Richmond. The Federal Reserve Bank of Richmond, Capital One, Truist Financial, Wells Fargo, Bank of America and Markel have offices in the metro.
- Law and legal services are another major component of the metro's local economy. The city of Richmond is home to five of the largest legal firms in the world.
- Anchored by VCU Health System and HCA Virginia, health care employs roughly 13 percent of metro workers.
- The metro is gaining prominence as a data center. There are 10 colocation data centers in the metro, including facilities for QTS, Infotel Systems, Flexential and Level 3 Communications.

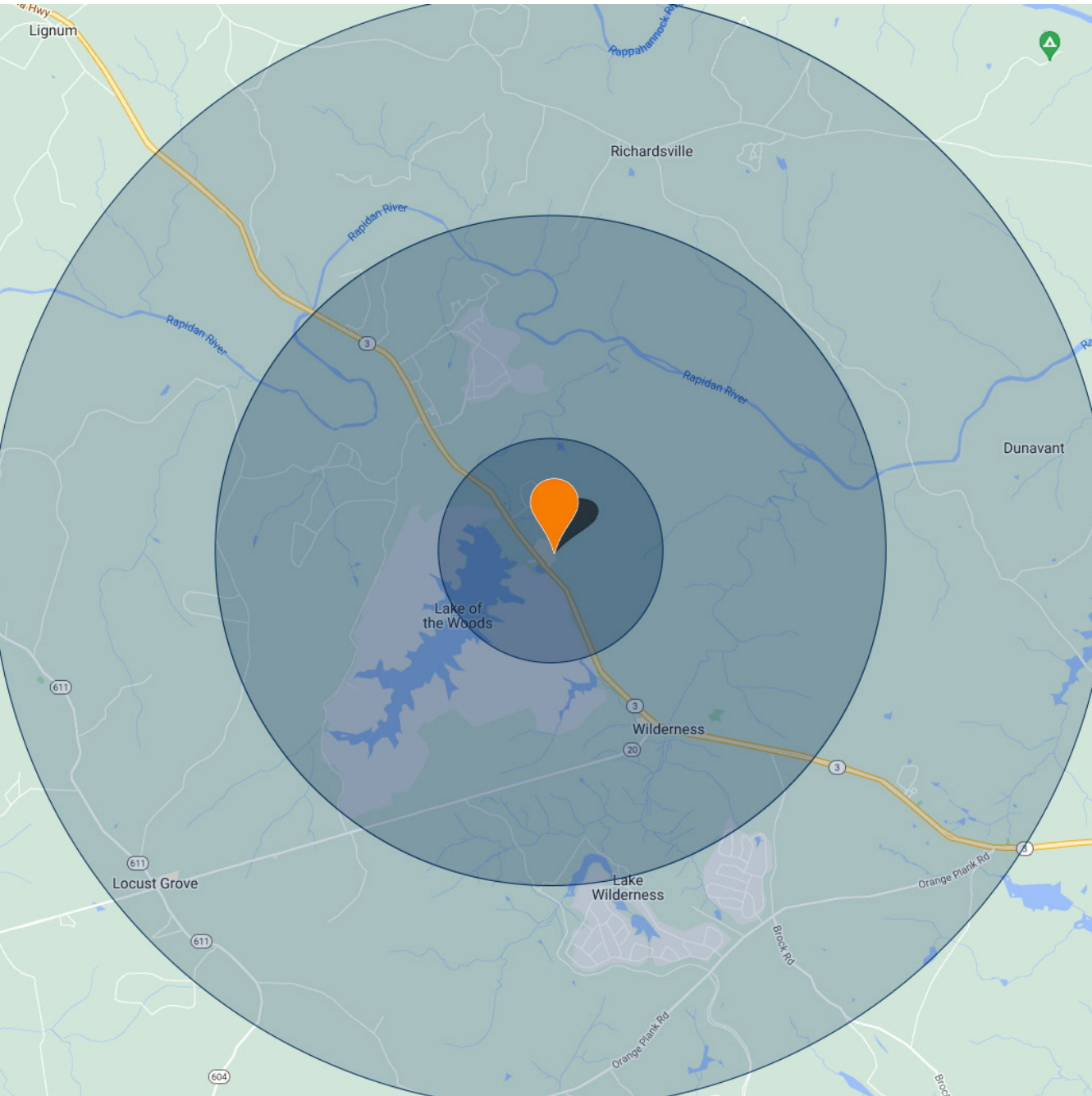
DEMOGRAPHICS





* Forecast


Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau


2022 DEMOGRAPHICS



POPULATION	1 MILE	3 MILE	5 MILE
 2027 Projection	4,899	15,313	23,519
2022 Estimate	4,567	14,233	21,822
2010 Census	3,862	12,021	18,443

HOUSEHOLDS	1 MILE	3 MILE	5 MILE
 2027 Projection	2,098	5,916	8,755
2022 Estimate	1,947	5,486	8,113
2010 Census	1,623	4,577	6,762

HH INCOME	1 MILE	3 MILE	5 MILE
 Average	\$115,924	\$112,224	\$120,559
Median	\$85,557	\$86,983	\$90,400
Per Capita	\$49,416	\$43,257	\$44,827

TRANSPORTATION	1 MILE	3 MILE	5 MILE
 2022 Daytime Projections	2,560	8,491	13,859
2022 unemployment	3.98%	3.51%	3.46%
Average Time Traveled (min)	50	50	50

PARTNERSHIP WAY AERIAL



LAKE OF THE WOODS CLUBHOUSE

LOCUST GROVE VETERINARY CLINIC

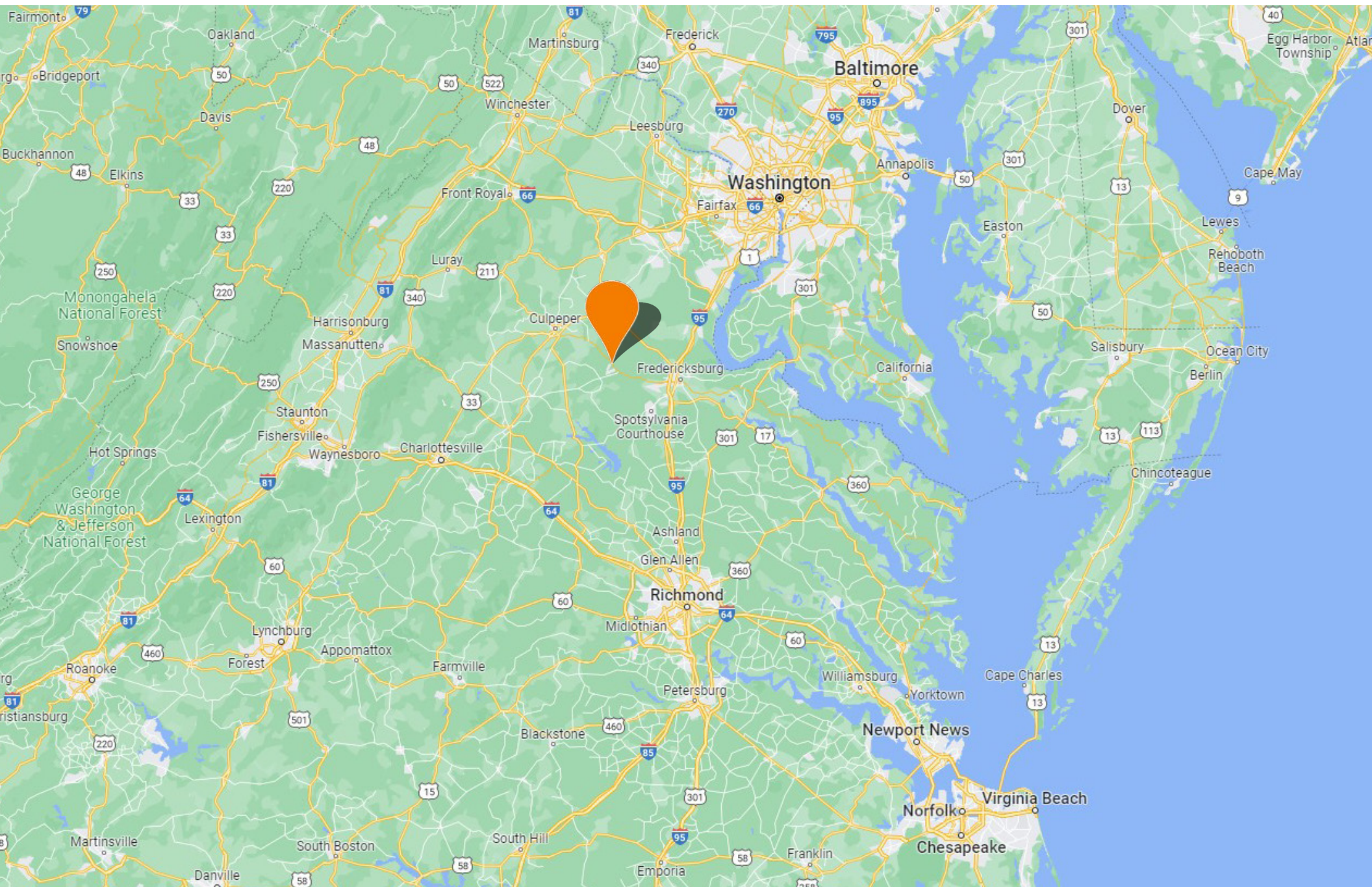
LAKE-WOODS FIRE & RESCUE

GERMANNA HWY | 25,000 VPD

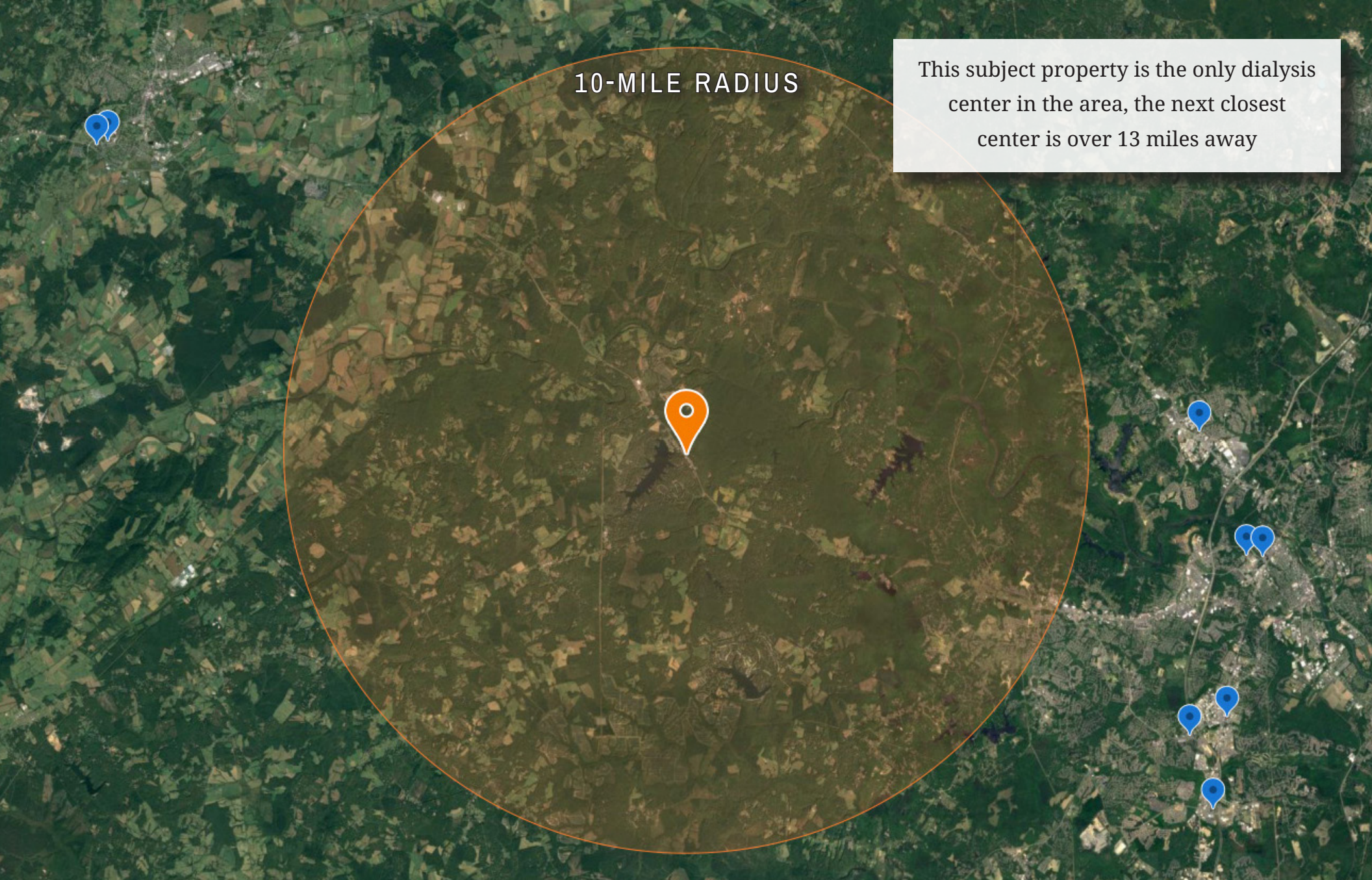
Centercare Urgent Care
Family Practice



AREA MAP



OTHER DIALYSIS CENTER LOCATIONS



10-MILE RADIUS

This subject property is the only dialysis center in the area, the next closest center is over 13 miles away

TENANT OVERVIEW



FRESENIUS MEDICAL CARE

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 2,600 dialysis clinics and more than 4,100 outpatient locations where they treat more than 345,000 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.



QUICK FACTS



2021 SALES
\$17+ Billion



YEAR FOUNDED
1996



NO. OF LOCATIONS
2,600+



HEADQUARTERS
Waltham, MA



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