

CONFIDENTIAL OFFERING MEMORANDUM



EMBREE
CAPITAL MARKETS

Fresenius

85 W Lanikaula Street Hilo, HI 96720

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Exclusively Offered By

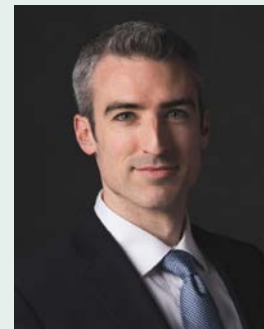


KLINTON LEWIS

DIRECTOR OF BROKERAGE

☎ 512.819.4729 M 512.630.9758

KLewis@EmbreeGroup.com



JOSIAH BYRNES

PRESIDENT

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EXECUTIVE SUMMARY

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PROPERTY & LEASE DETAILS

Offering Overview

Embree Capital Markets Group is pleased to offer for sale to qualified investors a unique **Leasehold** Fresenius asset located in Hilo, HI. The subject property is an expansion to the Liberty Dialysis next door that's successfully been operating since 2011 due to the dialysis market demand. This is an opportunity for an investor to acquire a well-located dialysis asset with an attractive 20-year Absolute NNN lease that features 1.50% annual rent escalations.



PURCHASE PRICE
\$10,065,000



CAP RATE
7.50%



ANNUAL RENT
\$754,721



LEASE TYPE
ABSOLUTE NNN

THE OFFERING

Address	85 W. Lanikaula Street Hilo, HI
Tenant	Liberty Dialysis-Hawaii, LLC
Guarantor	Fresenius Medical Care Holdings, Inc.

SITE DESCRIPTION

Year Built	2023
Building SF	Approx. 10,667 SF
Lot Size	Approx. 0.80 Acres

INVESTMENT SUMMARY

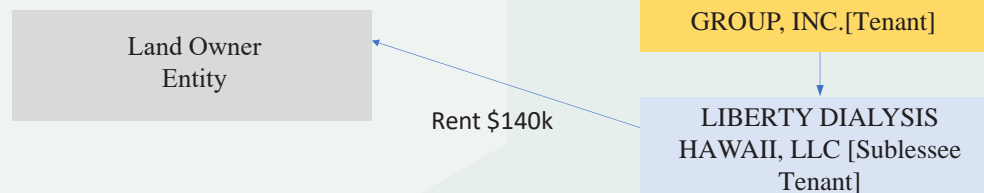
Asset Class	Single-Tenant, Net-Leased Medical
Ownership Interest	Leasehold
Annual Rent	\$754,721
Monthly Rent	\$62,893
Cap Rate	7.50%
Purchase Price	\$10,065,000
Rent Commencement	Jan 9, 2023
Lease Expiration	Jan 31, 2043
Lease Term	20-Years
Lease Type	Absolute NNN
Renewal Options	Six, 5-Year
Lease Escalations	1.50% Annually at Year 3
ROFR	30-Days
Estoppel	21-Days
SNDA	21-Days

RENT ROLL

Year	Rent/SF	Annual Base Rent	Monthly Base Rent	Cap Rate
1 *	\$70.75	\$754,721.00	\$62,893.42	7.00%
2	\$70.75	\$754,721.00	\$62,893.42	7.00%
3	\$70.75	\$754,721.00	\$62,893.42	7.00%
4	\$71.81	\$766,041.82	\$63,836.82	7.10%
5	\$72.89	\$777,532.44	\$64,794.37	7.21%
6	\$73.98	\$789,195.43	\$65,766.29	7.32%
7	\$75.09	\$801,033.36	\$66,752.78	7.43%
8	\$76.22	\$813,048.86	\$67,754.07	7.54%
9	\$77.36	\$825,244.59	\$68,770.38	7.65%
10	\$78.52	\$837,623.26	\$69,801.94	7.77%
11	\$79.70	\$850,187.61	\$70,848.97	7.88%
12	\$80.90	\$862,940.43	\$71,911.70	8.00%
13	\$82.11	\$875,884.53	\$72,990.38	8.12%
14	\$83.34	\$889,022.80	\$74,085.23	8.24%
15	\$84.59	\$902,358.14	\$75,196.51	8.37%
16	\$85.86	\$915,893.51	\$76,324.46	8.49%
17	\$87.15	\$929,631.92	\$77,469.33	8.62%
18	\$88.46	\$943,576.40	\$78,631.37	8.75%
19	\$89.78	\$957,730.04	\$79,810.84	8.88%
20	\$91.13	\$972,095.99	\$81,008.00	9.01%
Option 1	\$92.50	\$986,677.43	\$82,223.12	9.15%
Option 2	\$99.65	\$1,062,931.81	\$88,577.65	9.86%
Option 3	\$107.35	\$1,145,079.44	\$95,423.29	10.62%
Option 4	\$115.64	\$1,233,575.76	\$102,797.98	11.44%
Option 5	\$124.59	\$1,328,911.44	\$110,742.62	12.32%
Option 6	\$134.21	\$1,431,615.04	\$119,301.25	13.27%

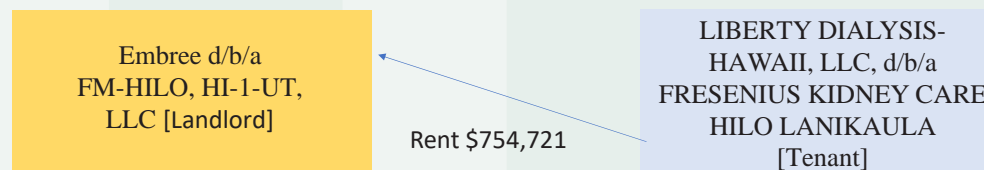
Fresenius Hilo, HI Lease Structure

Ground Lease (Not Included in Sale)



- 12-Year Term (Aug 2019 - Sep 2031)
- Eight, 5-Year Options
- 2nd Option Expiration Date is Coterminous with Leasehold Expiration (1/31/2043)
- 15% Bumps in Year 7 & Options

Improvements Lease (Leasehold)



- 20-Year Base Term (Jan 2023 - Jan 2043)
- 1.50% Bump Annually after Year 3
- Six, 5-Year Options
- Fresenius Medical Care Holdings, Inc.

AREA OVERVIEW

Hilo, HI

Hilo is the capital of the Big Island and also largest city on the Island. With a population of almost 45,000 and home to more than 23% of all residents of the island of Hawaii.

Hilo is home to the University of Hawaii Hilo campus whose staff and students form about 10% of all Hilo's inhabitants.

Hilo is a thriving and relaxing historical center for residents and visitors alike on the east side of the island. The business district has undergone major renovations in the past few years and the town is becoming quite popular with visitors these days.

A busy farming and fishing area in early times, Hilo evolved into a commercial center for the sugar industry in the 1800's. Downtown Hilo was built around its crescent-shaped bay and became the seat of county government. Today, Downtown Hilo is a charming town offering museums, art galleries, shops and restaurants.



TENANT SUMMARY



Investment Summary

Company Type	Public (NYSE: FMS)
Locations	4,116+
Employees	128,000+
2022 Revenue	\$20.438 Billion
S&P Credit Rating	BBB
Website	www.Fresenius.com

- Fresenius was founded in 1912 and is headquartered in Bad Homburg, Germany
- Fresenius Medical Care North America is a division of Fresenius Medical Care AG & Co. KGAA (NYSE: FMS), the world's largest integrated provider of products and services for individuals undergoing dialysis because of chronic kidney failure, a condition that affects more than 3 million individuals worldwide
- Fresenius Medical Care North America is the world's leading provider of kidney dialysis services and renal care products. They provide products, dialysis care services, education and support for Chronic Kidney Disease (CKD), including treatment options for later stage CKD
- Fresenius Medical Care provides renal services to over 344,687 people annually worldwide through a network of over 4,116 facilities
- The Company employs over 128,000 individuals and maintains a U.S. Corporate Headquarters in Waltham, MA
- North American Revenue accounts for over 70% of the total worldwide revenue generated by the company
- In 2022 the parent company, Fresenius Medical Care, posted revenue of \$20.44 billion dollars
- Fresenius was the 2013 winner of the Thompson Reuters Investor Relations Top Honor for Best Company in MedTech Services
- Ranked \$149 Forbes America's Best Employers (2015)
- Ranked #201 Forbes World's Best Employers (2020)
- Ranked #316 Fortune Global 500 (2022)
- Ranked #200 Forbes Mexico's Best Employers (2022)

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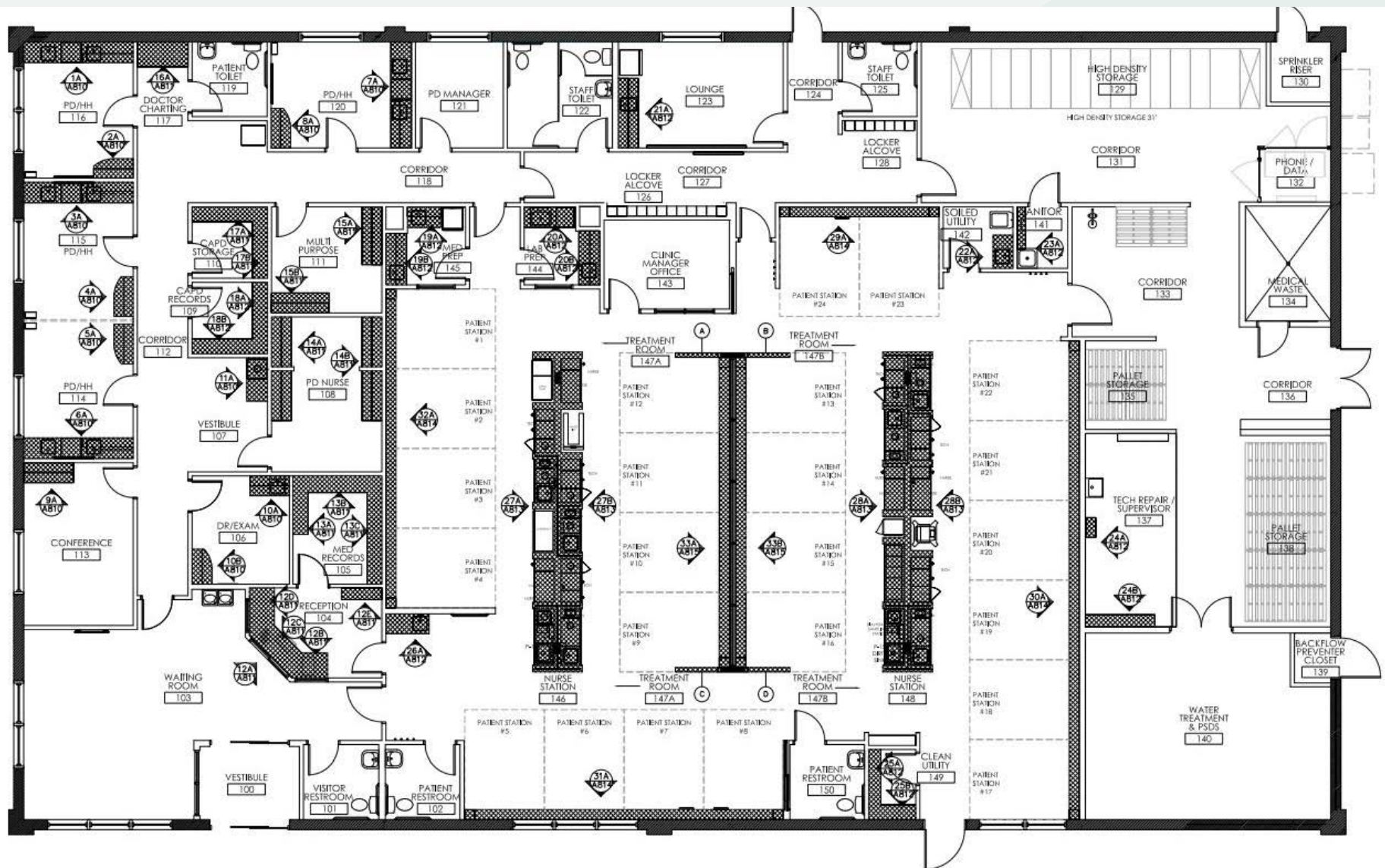
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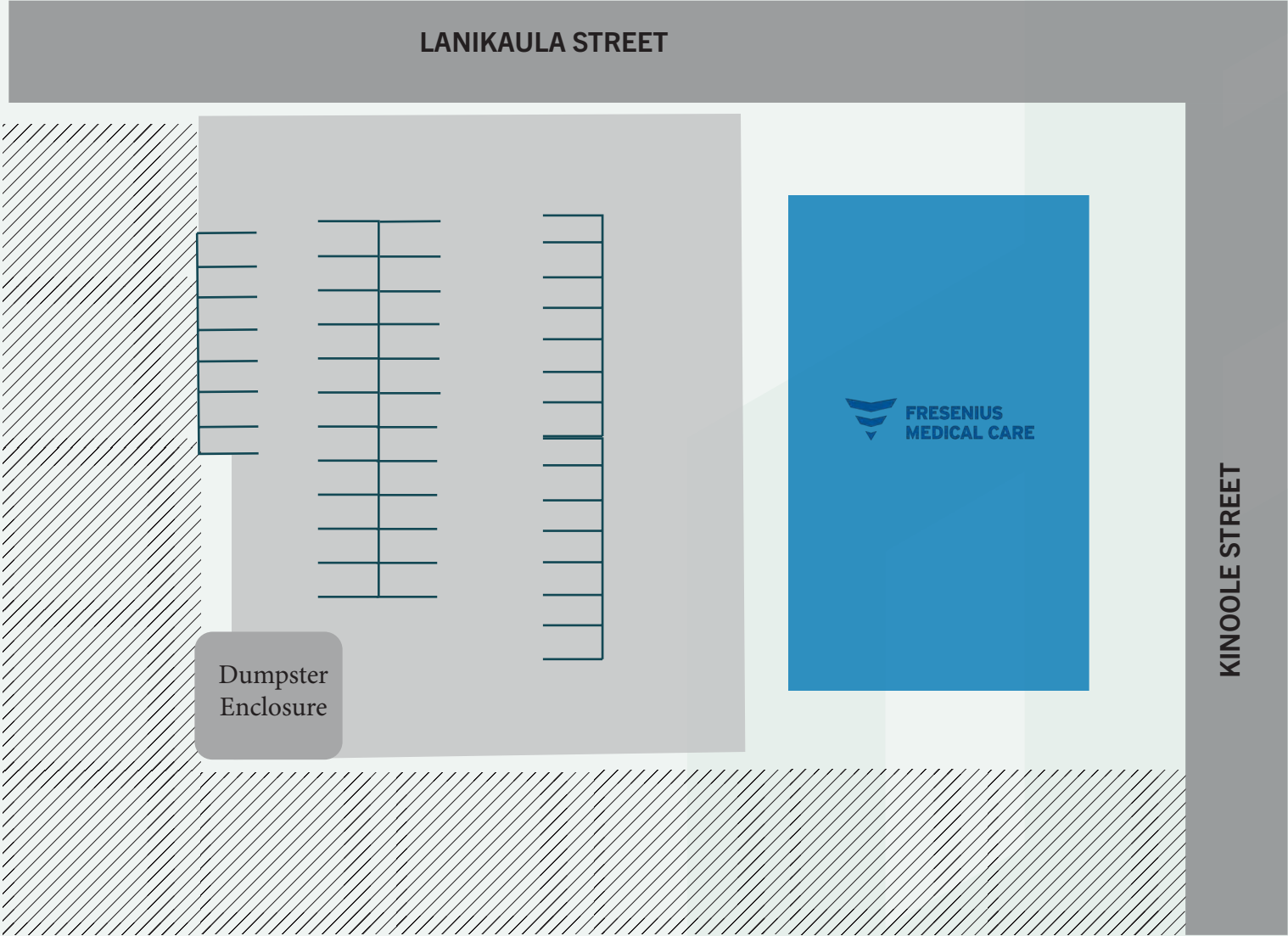
PROPERTY PHOTOS



FLOOR PLAN



SITE PLAN



Prudential

OHANA

Primary Care Clinic of Hawaii

FRESENIUS MEDICAL CARE

University of Hawaii

YMCA

KINOLE ST 9,896 VPD

W LANIKAULA 5,291 VPD

Streets shown: Kilauea Ave, Olona St, W Lanikaula St, Kapiolani St, Uluani St.

AERIAL MAP



LOCAL CONTEXT



KAILUA-KONA, HI (77 MILES)

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DEMOGRAPHIC ANALYSIS



POPULATION	3 MILE	5 MILES	10 MILES
2027 Projection	42,879	52,098	64,469
2022 Estimate	41,362	50,320	62,615
Growth Percentage	3.67%	3.53%	2.96%
HOUSEHOLDS			
2027 Projection	15,274	18,382	22,387
2022 Estimate	14,744	17,765	21,759
Growth Percentage	3.59%	3.47%	2.89%
AVG. HOUSEHOLD INCOME			
Average Household Income	\$82,059	\$85,336	\$83,941
Less than \$25,000	3,403	3,810	4,686
\$25,000 - \$50,000	2,607	3,076	3,952
\$50,000 - \$75,000	2,379	2,929	3,489
\$75,000 - \$100,000	1,835	2,203	2,690
\$100,000 - \$125,000	1,522	1,850	2,365
\$125,000 - \$150,000	994	1,287	1,530
\$150,000 - \$200,000	1,257	1,610	1,888
More than \$200,000	747	999	1,159

ABOUT EMBREE GROUP

Embree Group provides nationwide turnkey real estate services, specializing in build-to-suit development, design/build, general construction, program management, and capital markets for specialty retail, financial, automotive, restaurant, healthcare and senior living facilities. Embree's fully integrated, in-house services allow us to become an extension of the client's organization. Since 1979, Embree's foundation has been built on developing tailored programs for 350+ national clients. The firm is headquartered near Austin, Texas, with a regional offices located in the Dallas-Fort Worth area. Over the past 44 years, Embree's executive team has developed, built, or transacted more than 20,000 assets in all 50 states, Puerto Rico, and Canada with a total market value in excess of \$10 billion.

Contact Details

For more information about this listing, please contact:

KLINTON LEWIS

DIRECTOR OF BROKERAGE

KLewis@EmbreeGroup.com

O 512.819.4729 M 512.630.9758



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