

Fresenius Medical (Adjacent Duke University)

1507 W Pettigrew St, Durham, NC 27705



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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.

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OFFERING SUMMARY

		
Listing Price	Cap Rate	Price/SF
\$4,479,000	5.00%	\$454.40

FINANCIAL	
Listing Price	\$4,479,000
NOI	\$223,951
Cap Rate	5.00%
Average Cap Rate	5.50%
OPERATIONAL	
Lease Type	Double Net
Guarantor	Corporate Guarantee
Lease Expiration	05/31/2027
Gross SF	9,857 SF
Lease Increases	Annually 3%
Lot Size	1.42 Acres (61,855 SF)
Occupancy	100%
Year Built	1995



FRESENIUS MEDICAL (DUKE UNIVERSITY)

1507 W Pettigrew St, Durham, NC 27705

INVESTMENT OVERVIEW

The tenant is Bio-Medical Applications of North Carolina, Inc. d.b.a. Fresenius Medical Care and the guarantor is Bio-Medical Applications Management Company, Inc. Fresenius

Medical Care is the premier health care company focused on delivering the highest quality care to people with renal and other chronic conditions.

Worldwide, more than 3.4 million patients with this disease regularly undergo dialysis therapy, a vital blood cleansing procedure that substitutes the function of the kidney in the case of kidney failure. Fresenius performed approximately 50 million dialysis treatments in 2018. One of two dialysis machines worldwide is made by Fresenius Medical Care. The company employ more than 120,000 people around the world. The Company offer dialysis services and products in more than 150 countries

INVESTMENT HIGHLIGHTS

Irreplaceable Duke University Location

Long Term Tenant (Over 25 years at location)

Corporate Backed Lease (Investment Grade Tenant)

Three Percent Annual Increases



TENANT OVERVIEW

Company:	Fresenius Medical Care
Founded:	1996
Locations:	4,000
Total Revenue:	\$18.9 Billion
Net Worth:	\$14.2 Billion
Standard & Poor's Rating:	BBB
Headquarters:	Germany
Website:	www.freseniusmedicalcare.com

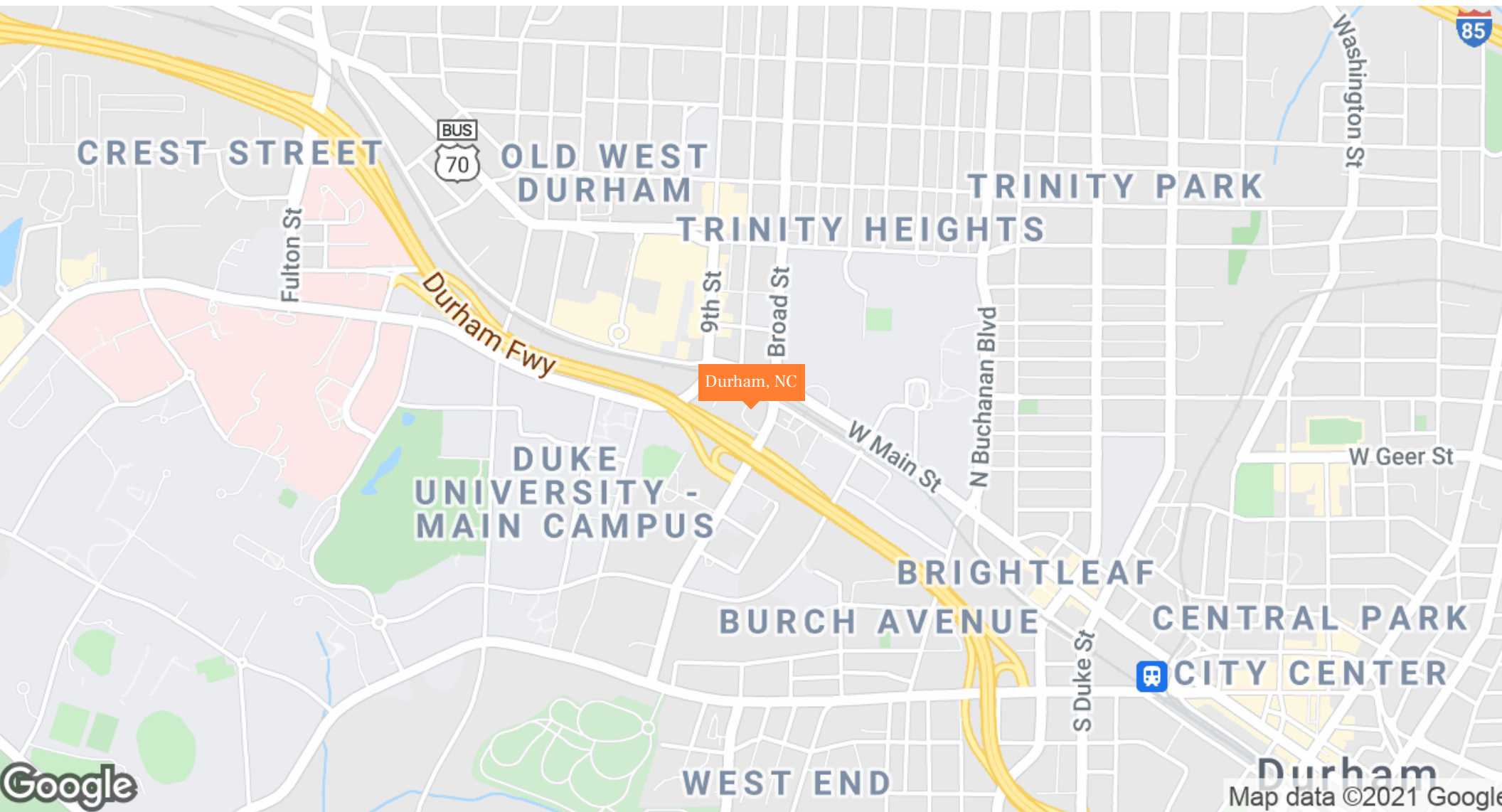
RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	BUMP	YIELD
2022	\$223,951	3%	5.00%
2023	\$230,670	3%	5.15%
2024	\$237,590	3%	5.30%
2025	\$244,717	3%	5.46%
2026	\$251,945	3%	5.63%
2027	\$259,539	3%	5.79%

CUSTOM TEXT

Landlord is responsible for roof, structure and HVAC over \$3,500/year.

Fresenius Medical (Duke University) // REGIONAL MAP



LOCAL MAP // **Fresenius Medical (Duke University)**



Fresenius Medical (Duke University) // MARKET OVERVIEW

RALEIGH METRO AREA

Office 2021 Outlook

Employment

+3.9%  **37,500**
JOBS
will be created

Construction

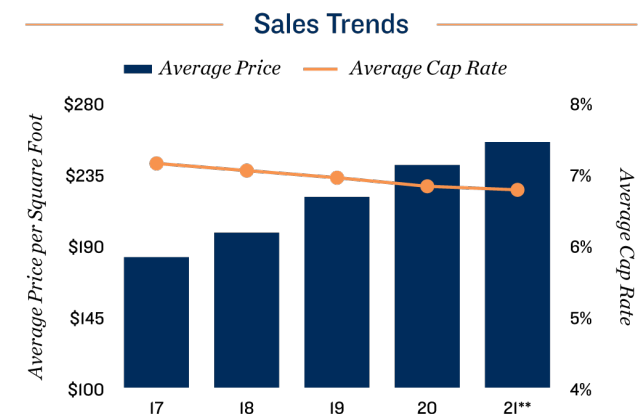
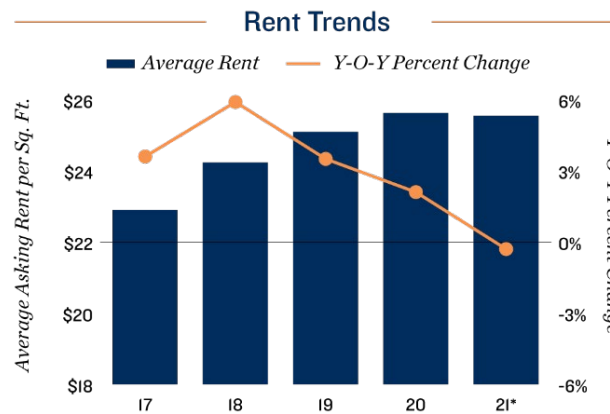
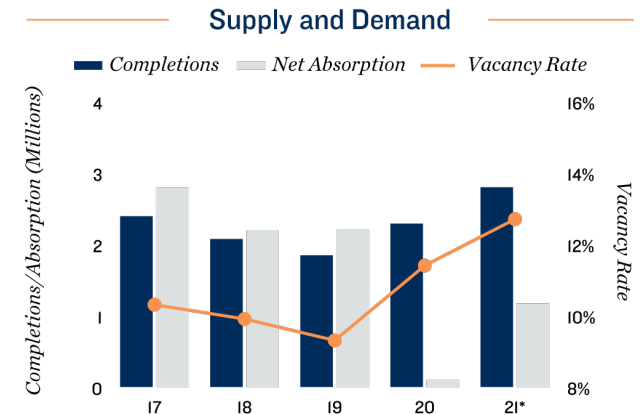
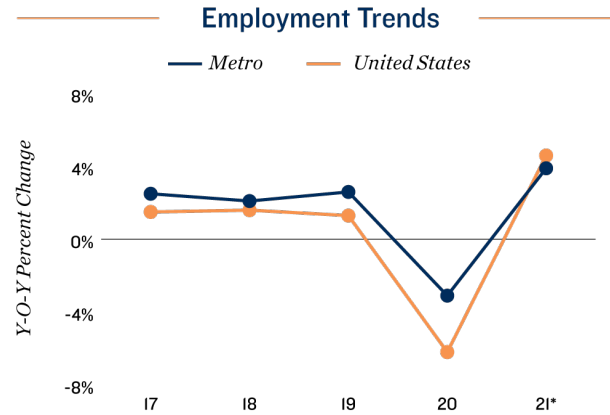
2.9%  **2,800,000**
of stock
SQ. FT.
will be completed

Vacancy

12.7%  **130**
BASIS POINT
increase in vacancy

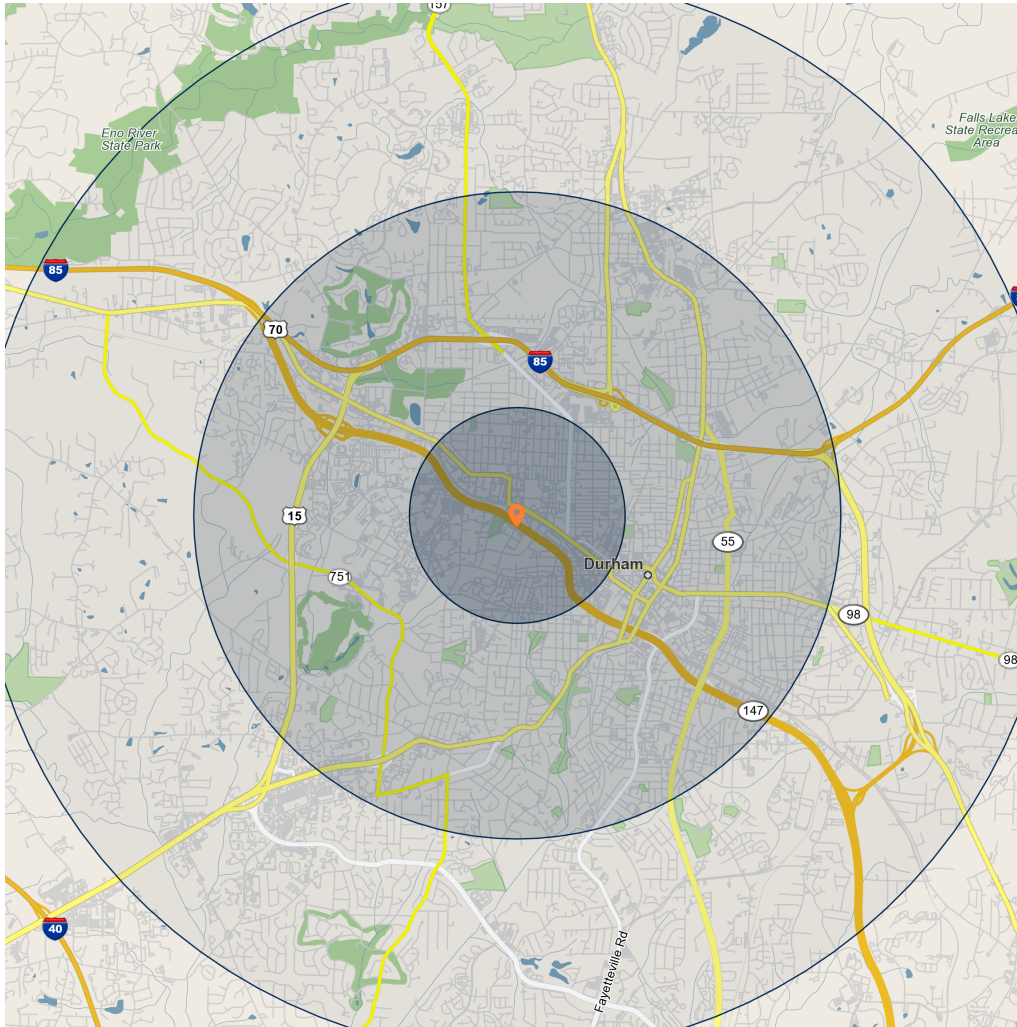
Rents

\$25.55  **0.3%**
per month
DECREASE
in asking rent



* Forecast **Through 2Q
Sources: BLS; CoStar Group, Inc.

DEMOGRAPHICS // Fresenius Medical (Duke University)



POPULATION

	1 Mile	3 Miles	5 Miles
2026 Projection	16,841	100,733	190,235
2021 Estimate	15,812	96,376	180,991
2010 Census	13,080	84,286	158,721
2000 Census	12,465	86,749	147,722

HOUSEHOLD INCOME

	1 Mile	3 Miles	5 Miles
Average	\$68,436	\$70,692	\$76,821
Median	\$40,921	\$40,326	\$46,741
Per Capita	\$31,473	\$28,928	\$30,961

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2026 Projection	6,767	39,368	75,109
2021 Estimate	6,235	37,211	70,758
2010 Census	5,335	33,163	62,667
2000 Census	4,901	33,456	57,753

HOUSING

	1 Mile	3 Miles	5 Miles
Median Home Value	\$282,668	\$237,021	\$223,749

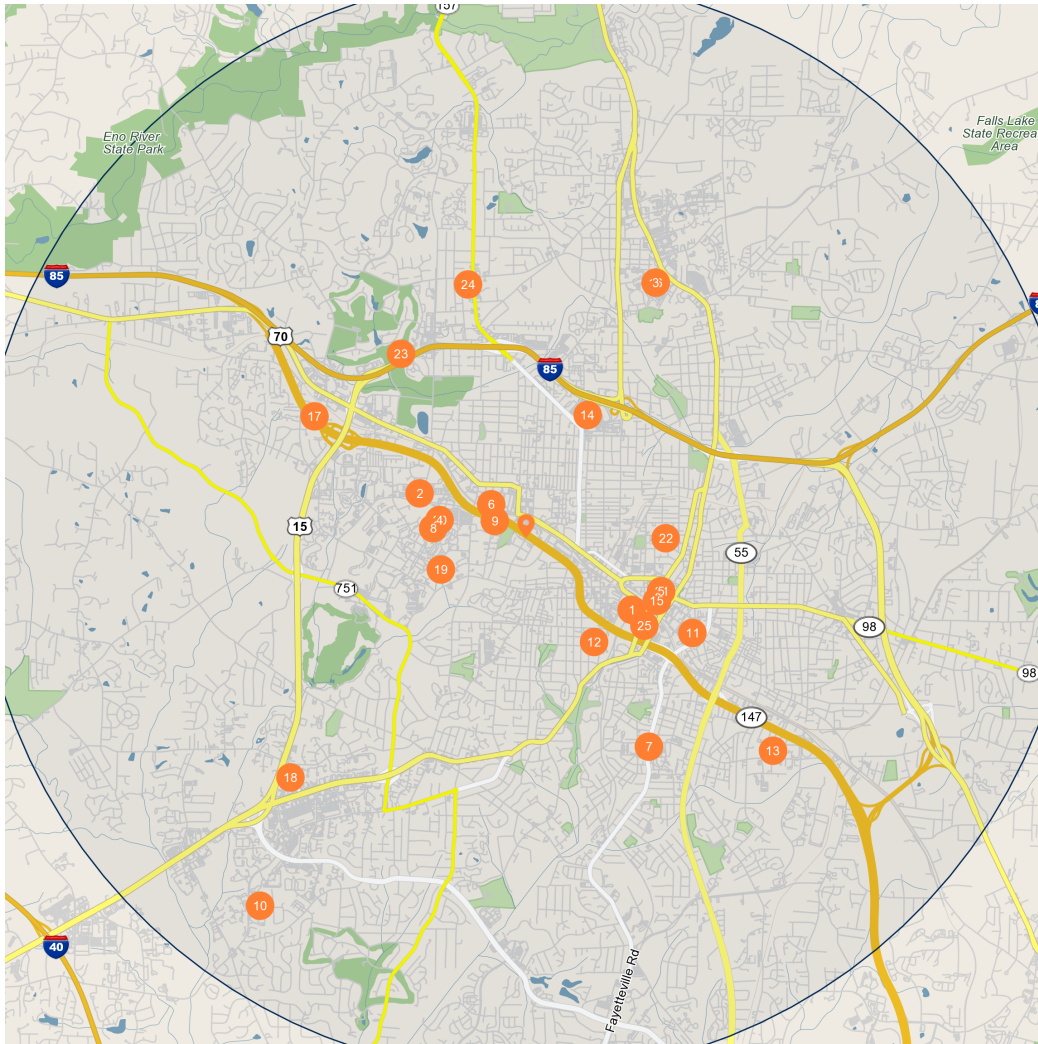
EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2021 Daytime Population	29,884	162,450	242,536
2021 Unemployment	7.48%	9.30%	7.28%
Average Time Traveled (Minutes)	20	24	24

EDUCATIONAL ATTAINMENT

	1 Mile	3 Miles	5 Miles
High School Graduate (12)	15.39%	20.19%	20.05%
Some College (13-15)	13.60%	15.91%	16.37%
Associate Degree Only	2.91%	4.76%	5.65%
Bachelor's Degree Only	26.78%	19.84%	21.15%
Graduate Degree	28.66%	20.53%	20.04%

Fresenius Medical (Duke University) // DEMOGRAPHICS



Major Employers

Employees

1	Duke University Health Sys Inc	2,357
2	Veterans Health Administration-Durham VA Medical Center	2,000
3	Durham County Hospital Corp-Durham Regional Hospital	1,918
4	Duke University Health Sys Inc-Duke University Medical Center	1,500
5	City of Durham	1,378
6	Duke University	1,000
7	North Carolina Central Univ	980
8	Private Diagnostic Clinic PLLC	775
9	National Institutes of Health-Institute On Aging	700
10	Blue Cross and Blue Shield NC	700
11	City of Durham-Durham Police Department	680
12	Assisted Living Concepts LLC	601
13	Durham Technical Cmnty College FN-Dtcc	600
14	E & J Lawrence Corp-E J Lawrence	572
15	Duke University Health Sys Inc	507
16	Duke University Health Sys Inc-Behavioral Health Sciences	507
17	Duke University Health Sys Inc-Duke University Medical Center	507
18	Duke University Health Sys Inc	507
19	Duke University Health Sys Inc-Disability Management System	507
20	Duke University Health Sys Inc-Duke University Medical Center	507
21	City of Durham-Parks & Recreation Dept	500
22	City of Durham-Durham Soli Wtr Cnsrvation Dst	500
23	Phyamerica Physician Services	500
24	International Brthd Elec Wkrs-I B E W Local 289	425
25	County of Durham-Durham County Sheriff	400

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(704) 831-4600

License: 303785

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