**01. INVESTMENT**

**02. TENANT**

**03. FINANCIALS**

**04. MARKET**

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**FRESENIUS MEDICAL CARE**

3408 SE 29TH STREET, TOPEKA KANSAS 66605

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Listed in conjunction with Kansas Broker of Record: Michael Mayer | Cushman & Wakefield U.S., Inc. | License No. SP00032293

All photos shown are of the actual property—no representation.
01. INVESTMENT
The Topeka FMC Clinic is a single-tenant, build-to-suit, 5,220 square foot kidney dialysis clinic that is 100% leased to Fresenius Medical Care North America (FMC) on a new 15-year lease term, with rent commencement in October 2016.

The lease includes attractive 1.7% annual rent increases and is guaranteed by Fresenius Medical Care Holdings, Inc (FMCH) which has a net worth of $10.144 Billion. This facility is a new FMC branch in Topeka, Kansas and will provide best-in-class operations and customer service, housing 12 patient stations, 1 private station located in a separate room and additional space for 2 more stations.

The Topeka FMC Clinic features an excellent location in the Central Highland Park area of Topeka, with immediate proximity to the Interstate 470 and Interstate 70 freeways. The property is situated approximately four miles from Stormont Vail Health, a 586-bed acute care hospital, and is surrounded by prominent national retailers including Walgreens, Advance Auto Parts, McDonald’s, Walmart, Domino’s Pizza, Bank of America, Burger King, Ace Hardware, and Arby’s. Topeka is the capital city of Kansas, and has an estimated Metropolitan Statistical Area of 234,566.

2015 audited financials for FMCH reflect a net worth of $10.144 billion, with 2015 net income exceeding $883 million. FMCH is a wholly-owned subsidiary of Fresenius Medical Care AG & Co. KGaA, which is 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 1,890,000 individuals worldwide. The parent company is listed on both the Frankfurt Stock Exchange and the New York Stock Exchange (NYSE: FMS).
### INVESTMENT HIGHLIGHTS

**NEW 15-YEAR LEASE TERM**  
1.7% ANNUAL RENT INCREASES  
Attractive rent growth during the lease term  

**2016 BUILD-TO-SUIT CONSTRUCTION**  

**$10.144 NET WORTH LEASE GUARANTOR**  
Fresenius Medical Care Holdings reported a 2015 net worth of $10.144 Billion  

**IMMEDIATE PROXIMITY TO MAJOR HOSPITAL**  
Located approximately four miles from Stormont Vail Health, a 586-bed hospital  

**SURROUNDED BY MAJOR NATIONAL TENANTS**  
Neighboring retailers include Walgreens, Advance Auto Parts, McDonald’s, Walmart, Domino’s Pizza, Bank of America, Burger King, Ace Hardware, and Arby’s  

**LOCATED IN CAPITAL CITY**  
Topeka is the capital of Kansas, and has an MSA of 234,566  

### Property Details

<table>
<thead>
<tr>
<th>Feature</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3408 SE 29TH STREET</strong></td>
<td></td>
</tr>
<tr>
<td><strong>TOPEKA, KANSAS</strong></td>
<td></td>
</tr>
<tr>
<td><strong>RENTABLE SF</strong></td>
<td>5,220 Sq Ft</td>
</tr>
<tr>
<td><strong>LOT SIZE</strong></td>
<td>1.03 Acres</td>
</tr>
<tr>
<td><strong>YEAR BUILT</strong></td>
<td>2016</td>
</tr>
<tr>
<td><strong>OWNERSHIP TYPE</strong></td>
<td>Fee Simple</td>
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02. TENANT
Fresenius Medical Care, a kidney dialysis company, provides dialysis care services related to the dialysis treatment a patient receives with end stage renal disease (ESRD); and other health care services.

It offers dialysis treatment, and related laboratory and diagnostic services through a network of 3,402 outpatient dialysis clinics in approximately 45 countries worldwide; materials, training, and patient support services comprising clinical monitoring, follow-up assistance, and arranging for delivery of the supplies to the patient’s residence; and dialysis services under contract to hospitals in the United States for the hospitalized ESRD patients and for patients suffering from acute kidney failure. The company also provides pharmacy services, such as delivery and supply of renal medications to patients at home or to dialysis clinics directly; vascular, cardiovascular, and endovascular specialty services; and offers products for the treatment of ESRD.

In addition, it offers laboratory services that include blood, urine, and other bodily fluid testing services; and hemodialysis (HD) machines, modular components for dialysis machines, polysulfone dialyzers, bloodlines, HD solutions and concentrates, needles, connectors, machines for water treatment, data administration systems, dialysis chairs, phosphate binders, iron products, and other renal drug products.

Further, the company provides peritoneal dialysis systems and solutions for continuous ambulatory peritoneal dialysis and automated peritoneal dialysis, and adsorbers, which are filters used in other extracorporeal therapies; and distributes specific instruments for vascular access, as well as other supplies, such as bandages, clamps, and injections.

The company sells its products to clinics, hospitals, and specialized treatment clinics through local sales forces, independent distributors, dealers, and sales agents. The company was founded in 1996 and is headquartered in Bad Homburg, Germany.

www.freseniusmedicalcare.us
03. FINANCIALS
INVESTMENT SUMMARY

PRICE $3,178,309
CAP RATE 5.50%
TENANT FMC
LEASE GUARANTOR FMCH, Inc.
GUARANTOR NET WORTH $10.144 Billion
LEASE TYPE NN
LEASE TERM 15 Years
LEASE COMMENCEMENT 10/22/2016
LEASE EXPIRATION 10/31/2031
REMAINING LEASE TERM 14.75 Years
RENEWAL OPTIONS Three 5-Year Options
RENT INCREASES 1.7% Annual

RENT SCHEDULE

<table>
<thead>
<tr>
<th>PERIOD</th>
<th>ANNUAL BASE RENT</th>
<th>MONTHLY BASE RENT</th>
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<tbody>
<tr>
<td>Year 1</td>
<td>$174,407</td>
<td>$14,567</td>
</tr>
<tr>
<td>2</td>
<td>$177,779</td>
<td>$14,815</td>
</tr>
<tr>
<td>3</td>
<td>$180,801</td>
<td>$15,067</td>
</tr>
<tr>
<td>4</td>
<td>$183,875</td>
<td>$15,323</td>
</tr>
<tr>
<td>5</td>
<td>$187,000</td>
<td>$15,583</td>
</tr>
<tr>
<td>6</td>
<td>$190,179</td>
<td>$15,848</td>
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<td>7</td>
<td>$193,412</td>
<td>$16,118</td>
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<tr>
<td>8</td>
<td>$196,701</td>
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<tr>
<td>9</td>
<td>$200,044</td>
<td>$16,670</td>
</tr>
<tr>
<td>10</td>
<td>$203,445</td>
<td>$16,954</td>
</tr>
<tr>
<td>11</td>
<td>$206,904</td>
<td>$17,242</td>
</tr>
<tr>
<td>12</td>
<td>$210,421</td>
<td>$17,535</td>
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<tr>
<td>13</td>
<td>$213,998</td>
<td>$17,831</td>
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<tr>
<td>14</td>
<td>$217,636</td>
<td>$18,136</td>
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<tr>
<td>15</td>
<td>$221,336</td>
<td>$18,445</td>
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Three 5-Year Lease Renewal Options, with 10% rent increases in each option period

LANDLORD RESPONSIBILITIES
1. Roof & structure (Long-term roof warranty in place)
2. Parking lot replacement (Tenant responsible for repairs & maintenance)
3. HVAC repairs exceeding $5,000 (Manufacturer warranty in place)
04. MARKET
Situated along the Kansas River, Topeka is the capital city of Kansas and the seat of Shawnee County. It is a family-friendly city with attractions and history from the Civil War to Civil Rights, with festivals and events throughout the year.

On Jan. 29, 1861, Kansas was admitted as the 34th state of the union, and Topeka was chosen as the state capital. Cyrus K. Holliday donated land for the construction of a new state capitol building, which was completed in 1903. After 13 years and a $332 million renovation, the Kansas State Capitol Building has been meticulously restored to its original glory. Touching every part of the Capitol, from two stories below the underground cornerstones to the top of the 306-foot dome, the renovation restored the original architect’s vision while increasing accessibility and safety for years to come.
DOWNTOWN
In December 2012, the Topeka City Council approved a multi-million dollar improvement project along South Kansas Avenue between 6th and 10th Avenues. The project has redesigned South Kansas Avenue to three lanes with a northbound, southbound and center turn lane. Medians, sidewalks and concrete curbs and gutters have been replaced. Sidewalk space has expanded, offering side paths and allowing businesses to offer patio seating and space for sidewalk sales. More than $2 million in private investments were contributed toward the amenities, pocket parks and aesthetics.

EDUCATION
Topeka is home to Washburn University, the top ranked public master's level university in Kansas according to the America’s Best Colleges rankings released by U.S. News and World Report. The University has also been named one of the top 20 public institutions in the Midwest. Topeka also was home of the Oliver Brown family, the namesake in Brown v. Board of Education, the 1954 Supreme Court case that eliminated the “separate but equal” standard in American public schools. Unlike the elementary schools in Topeka at that time, Topeka High School had been integrated since the late 1890s.

GOOGLE
On March 1, 2010, Topeka Mayor Bill Bunten issued a proclamation calling for Topeka to be known for the month of March as “Google, Kansas, the capital city of fiber optics,” in an effort to “re-brand” the city with a simple gesture. This was to help

“support continuing efforts to bring Google’s fiber experiment” to Topeka, though it was not a legal name change. Subsequently, Google jokingly announced that it would change its name to Topeka to “honor that moving gesture” on April 1, 2010 (April Fools Day) and changed its home page to say Topeka. In its official blog, Google announced that this change thus affected all of its services as well as its culture, e.g. “Googlers” to “Topekans”, “Project Virgle” to “Project Vireka”, and proper usage of “Topeka” as an adjective and not a verb, to avoid the trademark becoming genericized.

ACCOLADES
In 2007, Forbes Magazine named Topeka as one of the leading U.S. cities in terms of having the greatest variations in temperature, precipitation, and wind. Additionally, Topeka was named one of the Top 10 Best Cities for the Next Decade by Kiplinger’s Personal Finance Magazine in 2010 based on economic prosperity and potential growth. PT’s Coffee, 2009 Roast Magazine’s Roaster of the Year will be sold in Costco starting this year. And Topeka is home to the award-winning Blind Tiger Brewery and Restaurant, which serves up the 2012 World Beer Cup Gold Award winning Malbock beer. In the past 12 years, Blind Tiger has won 15 gold, silver or bronze medals at the Great American Beer Festival and the World Beer Cup, as known as the Olympics of Beer.
## Area Demographics

### Within Seven Miles

<table>
<thead>
<tr>
<th>Year</th>
<th>3 Miles</th>
<th>5 Miles</th>
<th>7 Miles</th>
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<tbody>
<tr>
<td>2016</td>
<td>29,970</td>
<td>73,989</td>
<td>121,971</td>
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<tr>
<td>2021</td>
<td>30,287</td>
<td>74,079</td>
<td>122,344</td>
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</table>

### Population Trend

- **2016 to 2021 Change**: 1.1% 0.1% 0.3%

### Household Income

#### Median Age

- **2016**: 35.6 34.9 36.3
- **2021**: 36.2 35.4 37.0

#### Median Household Income

- **2016**: $52,721, $152,721, $152,585
- **2021**: $54,132, $152,585, $152,585

### Housing Units

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Housing Units</th>
<th>Occupied Housing Units</th>
<th>Vacant Housing Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>2016</td>
<td>11,692</td>
<td>92.1%</td>
<td>7.9%</td>
</tr>
<tr>
<td>2021</td>
<td>11,874</td>
<td>92.1%</td>
<td>8.0%</td>
</tr>
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</table>

### Household Income

#### Income Distribution

- **$0 - $9,999**: 7.9% 6.2% 7.6%
- **$10,000 - $14,999**: 6.7% 5.9% 6.5%
- **$15,000 - $24,999**: 14.2% 13.9% 13.9%
- **$25,000 - $34,999**: 11.2% 13.3% 13.7%
- **$35,000 - $49,999**: 11.1% 12.3% 12.7%
- **$50,000 - $74,999**: 20.2% 19.2% 20.0%
- **$75,000 - $99,999**: 11.7% 9.7% 11.4%
- **$100,000 - $124,999**: 7.2% 5.6% 6.8%
- **$125,000 - $149,999**: 3.1% 2.6% 2.9%
- **$150,000 +**: 1.9% 3.1% 3.9%

#### Average Household Income

- **2016**: $68,515
- **2021**: $70,261

#### Annual Change

- **2016 to 2021**: 1.1% 0.1% 0.3%
CUSHMAN & WAKEFIELD

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This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller’s exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an “as is” basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental, or other reports may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors.

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