

# MATTHEWS™

REAL ESTATE INVESTMENT SERVICES



## OFFERING MEMORANDUM



KAISER  
PERMANENTE

2240 FOUNTAIN DR | SNELLVILLE, GA 30078

**\$1,637,778**

LIST PRICE

**6.75%**

CAP  
RATE

**\$110,550**

NOI

**7,500 SF**

GLA



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# EXECUTIVE OVERVIEW

SECTION  
01







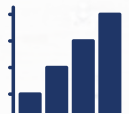
### LIST PRICE

\$1,637,778



### TOTAL NOI

\$110,550



### CAP RATE

6.75%

## PROPERTY HIGHLIGHTS

- **Medical Office Building** – Highly sought after medical office buildings have proven their ability to perform in turbulent markets, have long term tenancy, and ideal lease structures making them the complete investment
- **Annual Rental Increases** – Steadily increase your return and hedge against inflation with 2% annual increases throughout the term of this lease
- **Triple Net Lease** – Maintain a hands-off position with a triple-net lease currently in place. This allows you to have a passive income as the tenant maintains all operating expenses and day-by-day needs at the location

## LOCATION HIGHLIGHTS

- **Downtown Snellville** – Located in the heart of Snellville, this site is within proximity to various outlet malls, strip centers, grocery stores, and restaurants
- **Highly Visible** – Seated adjacent to Eastside Medical Center and seeing over 45,000 cars daily, this location has excellent visibility and ease of access at a signalized intersection
- **Strong Demographics** – Snellville is a stable suburb of Atlanta, with a population growth of over 12% in the last decade, totaling nearly 177,000 residents within a 5-mile radius from this site and an average household income over \$111,200

## TENANT HIGHLIGHTS

- **Kaiser Permanente** – Kaiser is one of the most extensive nonprofit healthcare plans in the U.S., operating 700+ medical offices across 8 states. Founded in 1945, they've had consistent growth, reaching annual revenue of \$88.7B in 2020 and a credit rating of A.A.
- **Atlanta Headquarters** – Kaiser Permanente Georgia was founded in 1985 and currently comprised of 300k+ members, 640+ physicians, and 25+ medical offices across Atlanta and Athens
- **Multi-Specialty Location** – This site provides services compatible with out-patient visits such as adult and family medicine, gynecology, laboratory services, pediatrics, and pharmacy needs



**SNELLVILLE PAVILION**  
SHOPPING CENTER



ANAZAO SALON  
BANFIELD PET HOSPITAL  
CHASE BANK  
DEL TACO  
GREAT CLIPS  
LANE BRYANT  
MCDONALD'S  
PEACHTREE CHILDREN'S DENTISTRY  
ROSS  
SALLY BEAUTY  
YUM YUM CANDIES  
ETC.

**MAJOR RETAIL CORRIDOR**

NOTABLE TENANTS



BATH & BODY WORKS  
BEST BUY  
BROOKWOOD DENTISTRY  
BUYBUY BABY  
CHIPOTLE  
CRACKER BARREL  
FIVE BELOW  
FIVE GUYS  
JOANN  
MAVIS TIRE AND BRAKES  
PARTY CITY  
PETCO  
SAM'S CLUB  
ZAXBY'S  
ETC.

**SNELLVILLE PAVILION**  
SHOPPING CENTER



BELK  
FOREYES  
G7 DETECTIVE AGENCY  
I LUV PHO  
O'CHARLEYS  
OLD NAVY  
RACK ROOM SHOES  
RUE 21  
SERVICE STREET REPAIR  
TACO BELL  
ETC.

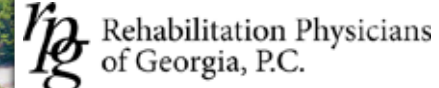


124

± 52,400 VPD



DOWNTOWN SNELLVILLE



78

± 45,000 VPD





**AutoZone**

**NORTHERN**  
TOOL + EQUIPMENT

**LA QUINTA**  
BY WYNDHAM

**Chick-fil-®**

**Walmart**  
Neighborhood Market

**SHERWIN WILLIAMS**

**Sunshine Child Care**

**Allstate**  
You're in good hands.

**Zaman Pediatrics**

**78**

**O'Reilly**  
AUTO PARTS

**REFORMATION**  
HEALTH MASSAGE

± 45,000 VPD

**Eastside**  
MEDICAL CENTER  
South Campus

**Firestone**  
SINCE 1926 COMPLETE AUTO CARE









# FINANCIAL OVERVIEW

SECTION  
02



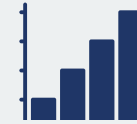




**\$1,637,778**  
LIST PRICE



**6.75%**  
CAP RATE



**\$110,550**  
NOI



**±7,500 SF**  
GLA

## INVESTMENT SUMMARY

|            |             |
|------------|-------------|
| List Price | \$1,637,778 |
| NOI        | \$110,550   |
| CAP Rate   | 6.75%       |
| Price/SF   | \$101.23    |
| GLA        | ±7,500 SF   |
| Year Built | 1994        |

## TENANT SUMMARY

|                         |  |
|-------------------------|--|
| Tenant Name             | Kaiser Permanente                        |
| Type of Ownership       | Fee Simple                               |
| Lease Type              | NNN                                      |
| Guarantor               | Kaiser Foundation Health Plan of Georgia |
| (Roof/Structure)        | Landlord Responsible                     |
| Original Lease Term     | 5 years                                  |
| Lease Commencement Date | 7/1/10                                   |
| Lease Expiration Date   | 11/30/26                                 |
| Term Remaining          | ±5.4 Years                               |
| Increases               | 2% annual                                |
| Options                 | Two (2) Three (3) Year                   |

## ANNUALIZED OPERATING DATA

| LEASE YEARS        | MONTHLY RENT | ANNUAL RENT  | CAP RATE |
|--------------------|--------------|--------------|----------|
| 12/1/20 - 11/31/21 | \$9,213      | \$110,550.00 | 6.75%    |
| 12/1/21 - 11/30/22 | \$8,750      | \$105,000.00 | 6.41%    |
| 12/1/22 - 11/30/23 | \$8,925      | \$107,100.00 | 6.54%    |
| 12/1/23 - 11/30/24 | \$9,106      | \$109,275.00 | 6.67%    |
| 12/1/24 - 11/30/25 | \$9,288      | \$111,450.00 | 6.80%    |
| 12/1/25 - 11/30/26 | \$9,469      | \$113,625.00 | 6.94%    |

## DEBT QUOTE

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

**LTV: 70.00%**

**RATE: 4.00%**

**AMORTIZATION: 25**

PATRICK FLANAGAN  
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# TENANT OVERVIEW

SECTION  
03







**39**  
HOSPITALS



**700+**  
MEDICAL OFFICES



**1945**  
FOUNDED



[KP.KAISERPERMANENTE.ORG](https://kp.kaiserpermanente.org)  
WEBSITE

## KAISER PERMANENTE

Kaiser Permanente is recognized as one of America's leading health care providers and not-for-profit health plans. Kaiser Permanente is made up of: Kaiser Foundation Hospitals and their subsidiaries, Kaiser Foundation Health Plan, Inc., and The Permanente Medical Groups. The company currently serves 12.5 million members in 8 states and the District of Columbia. It operates 39 hospitals and more than 700 medical offices, with over 300,000 personnel, including more than 80,000 physicians and nurses. Care for members and patients is focused on their total health and guided by their personal Permanente Medical Group physicians, specialists, and team of caregivers. Kaiser's expert medical teams are empowered and supported by industry-leading technology advances and tools for health promotion, disease prevention, state-of-the-art care delivery, and world-class chronic disease management.

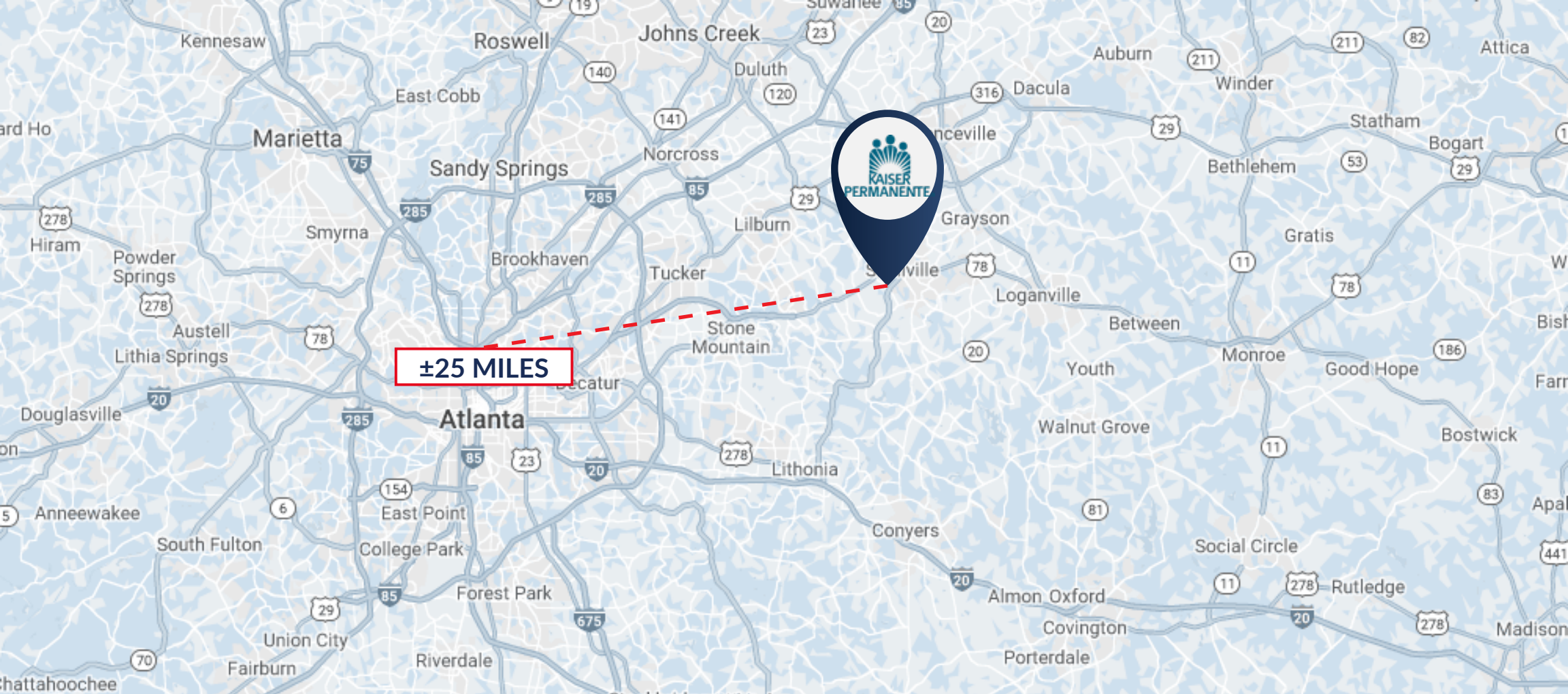


# AREA OVERVIEW

SECTION  
04







## SNELLVILLE, GA

Snellville's convenient location, approximately 18 miles east of Atlanta and 45 miles west of Athens at the intersection of U.S. Highway 78 and Georgia Highway 124, has allowed it to prosper and become one of Gwinnett County's fastest growing cities for the past thirty years.

Present-day Snellville is quite a different place from the settlement that attracted James Sawyer and Thomas Snell. Over 1,150 businesses operate in Snellville, bringing in more than \$1 billion in revenue yearly. Snellville's political system now includes a Mayor and 5 Council members. There are over 100 employees working for the City of Snellville, which operates from five departments: Administration; Parks & Recreation; Planning & Development; Public Safety; and Public Works. The city limits have now grown to 10.4 square miles and there are fourteen houses of worship located in the city limits.

Snellville's continued prosperity stems from the southern hospitality of its residents and the versatility of its surroundings. With a variety of shops, restaurants, schools, churches, a hospital, cultural events, recreational activities, and an abundance of nearby attractions, Snellville's residents and visitors can fulfill their entertainment and family needs close to home. From a small farming community to the prospering present-day community, Snellville continues to be one of the most successful cities in the Atlanta region.





AREA OVERVIEW  
**ATLANTA**  
GEORGIA

Atlanta is the capital of and the most populous city in the U.S. state of Georgia, the cultural and economic center of the Atlanta metropolitan area, and the ninth largest metropolitan area in the United States.

Atlanta is an “alpha-” or “world city”, exerting a significant impact upon commerce, finance, research, technology, education, media, art, and entertainment. It ranks 36th among world cities and 8th in the nation with a gross domestic product of \$270 billion. Atlanta’s economy is considered diverse, with dominant sectors including logistics, professional and business services, media operations, and information technology.

Atlanta is home to professional franchises for three major team sports: the Atlanta Braves of Major League Baseball, the Atlanta Hawks of the National Basketball Association, and the Atlanta Falcons of the National Football League. Due to the more than 30 colleges and universities located in the city, Atlanta is considered a center for higher education.



**#1**  
BEST STATE  
FOR DOING  
BUSINESS



**25**  
FORTUNE 500/1000  
HEADQUARTERS



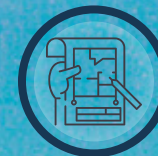
**#1**  
MOST  
TRAVELED  
AIRPORT IN  
THE WORLD







## POPULATION



## HOUSEHOLDS



## INCOME



|               | 2020<br>ESTIMATE | 2025<br>PROJECTION | 2020<br>ESTIMATE | 2025<br>PROJECTION | 2020<br>AVG. HOUSEHOLD INCOME |
|---------------|------------------|--------------------|------------------|--------------------|-------------------------------|
| <b>1-MILE</b> | 5,436            | 5,755              | 1,957            | 2,080              | \$81,909                      |
| <b>3-MILE</b> | 62,916           | 65,590             | 20,540           | 21,538             | \$102,562                     |
| <b>5-MILE</b> | 177,952          | 185,596            | 57,077           | 59,951             | \$104,160                     |

Encompassing \$304 billion, the Atlanta metropolitan area is the eighth-largest economy in the country and 17th-largest in the world. Corporate operations comprise a large portion of Atlanta's economy, with the city serving as the regional, national, or global headquarters for many corporations. Atlanta

contains the country's third largest concentration of Fortune 500 companies, and the city is the global headquarters of corporations such as The Coca-Cola Company, The Home Depot, Delta Air Lines, AT&T Mobility, Chick-fil-A, UPS, and Newell-Rubbermaid. Over 75 percent of Fortune 1000 companies conduct

business operations in the Atlanta metropolitan area, and the region hosts offices of about 1,250 multinational corporations.





# #8 BEST CITY IN THE SOUTH

- *Southern Living*, "The South's Best Cities, 2020"

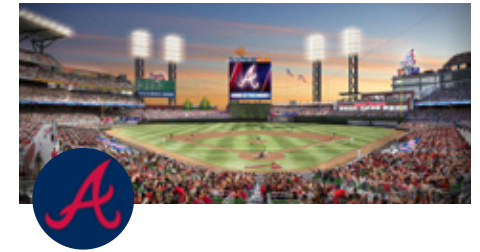
## ATLANTA TOURISM

Atlanta is the most-visited destination in the state of Georgia. Atlanta offers lots of tourist attractions such as the Georgia Aquarium, the World of Coca-Cola, the Atlanta Botanical Garden, and many more. Atlanta also hosts several annual food, film, and music festivals each season. Atlanta is known for its fabulous shopping malls. Shopping centers such as Lenox Square with 250 stores, Perimeter Mall with 158 stores, and Cumberland Mall with 143 stores all make Atlanta a shopaholic's paradise. Atlanta is also home to five professional sports teams: Atlanta Hawks, Atlanta Falcons, Atlanta United FC, Atlanta Braves, and Atlanta Thrashers. **Over 50 million people visit Atlanta annually.**

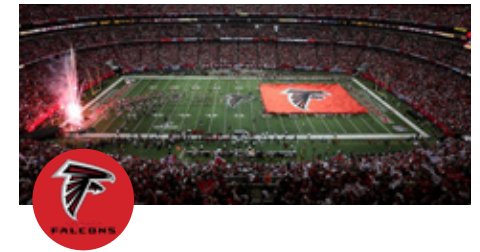


## ATLANTA EVENTS

Atlanta celebrates various events and festivals each year. Food festivals include the Beer, Bourbon, and BBQ Festival in the spring, the Atlanta Food and Wine Festival in the summer, the Atlanta Greek Festival in the fall, and the Oysterfest in the winter. Music and film festivals include the Shaky Knees Music Festival in the spring, the Tunes from the Tombs at Historic Oakland Cemetery in the summer, the Imagine Music Festival in the fall, and the Atlanta Jewish Film Festival in the winter.



**ATLANTA BRAVES**  
(Major League Baseball)



**ATLANTA FALCONS**  
(National Football League)



**ATLANTA HAWKS**  
(National Basketball Association)



**ATLANTA THRASHERS**  
(National Hockey League)



## ATLANTA ECONOMY

Metro Atlanta is recognized as an international gateway and the economic engine of the Southeast. As the largest economy of all metros in the region, metro Atlanta offers diverse businesses and services, with dominant sectors including logistics, professional and business services, media operations, and information technology. **ACCORDING TO INVEST ATLANTA, 1.9M JOBS ARE TO BE CREATED BY 2040 AND THE RESIDENT POPULATION WILL INCREASE TO 1.5M BY 2050.**

Encompassing \$304 billion, the Atlanta metropolitan area is the eighth-largest economy in the country and 17th-largest in the world. **HOME TO 26 OF AMERICA'S LARGEST CORPORATIONS (FORTUNE 1000) AND 220 OF THE NATION'S FASTEST-GROWING PRIVATE COMPANIES (INC. 5000)**, metro Atlanta is a premier location for regional and global headquarters. In fact, Atlanta contains the country's third-largest concentration of Fortune 500 companies. Over 75 percent of Fortune 1000 companies conduct business operations in the Atlanta metropolitan area, and the region hosts offices of about 1,250 multinational corporations.

Metro Atlanta is a thriving ecosystem for entrepreneurs and new businesses. In 2017, **ATLANTA WAS NAMED A RUNNER-UP TO THE TOP 20 TECH STARTUP ECOSYSTEMS GLOBALLY AND ONE OF THE TOP 10 CITIES FOR CORPORATE INNOVATION.** There is an abundance of creative energy, talent, and entrepreneurial spirit in metro Atlanta. Many companies choose metro Atlanta to locate their innovation centers.

Atlanta is home to more than 64 accredited universities, colleges, and technical schools. Atlanta is home to three national universities which together account for approximately 100,000 in students, faculty, and staff. **THE COLLEGES AND UNIVERSITIES IN THE ATLANTA REGION CREATE OVER 130,000 JOBS FOR THE STATE OF GEORGIA AND HAVE HIGH CONTRIBUTIONS TO THE STATE'S ECONOMY.** According to the Metro Atlanta Chamber of Commerce, Atlanta is a national leader in attracting college-educated 25 to 34-year-olds to the region.

## GLOBAL HEADQUARTERS





# CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Kaiser Permanente** located at **2240 Fountain Dr, Snellville, GA 30078** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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