



MEMORANDUM

To: Mayor and City Council

From: Britney Davis, Acting City Clerk

Date: July 8, 2019

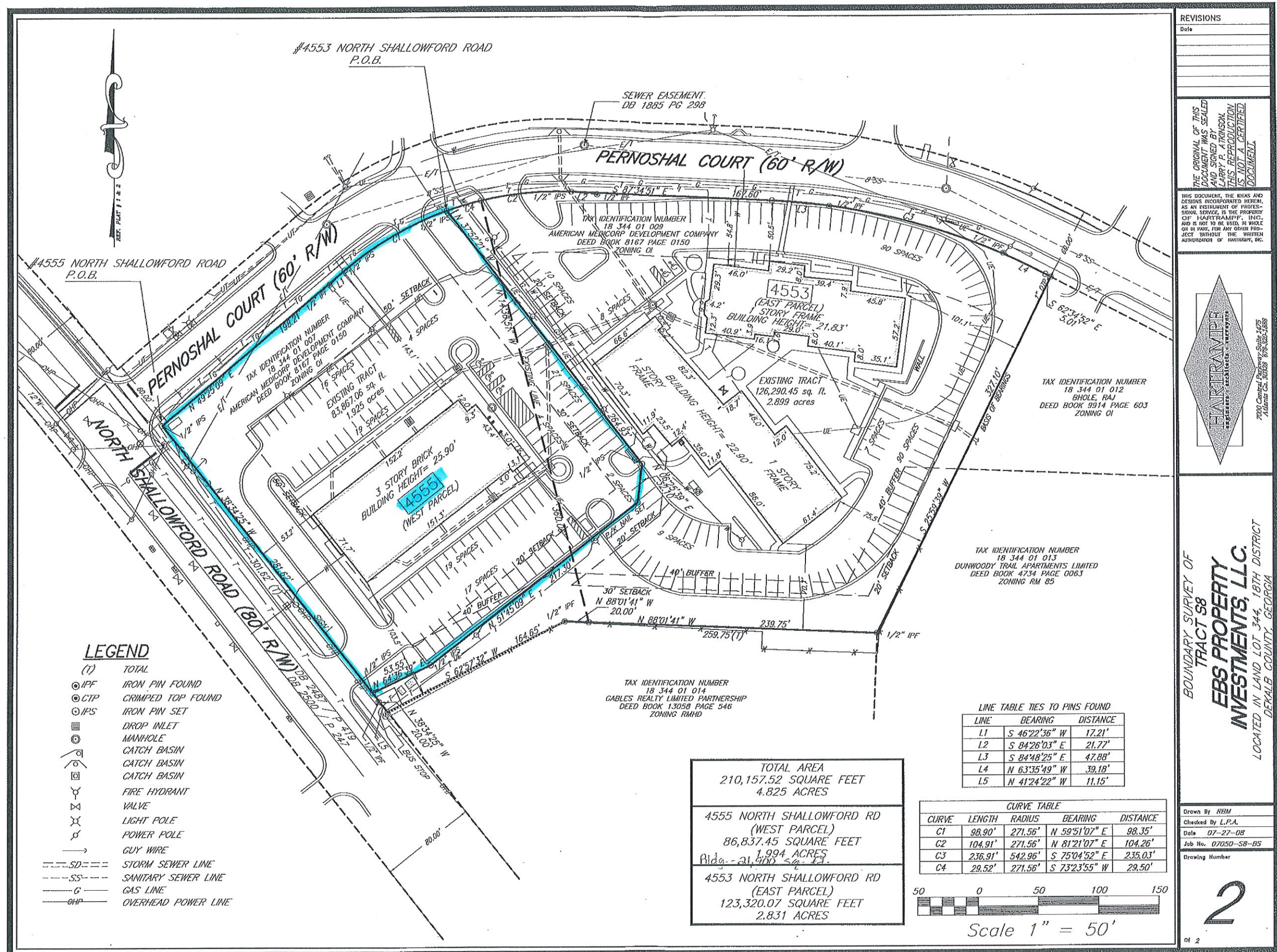
Subject: To Declare City Owned Property Located at 4555 North Shallowford Road in Dunwoody, DeKalb County, Georgia Surplus.

BACKGROUND

The property is an Office (Medical Office) property totaling 22,000 SF of Net Rentable Area located on an approximately 1.99-acre site at 4555 North Shallowford Road in Dunwoody, Georgia. The assessor's parcel number is: 18 344 01 007. The title is currently recorded in the name of City of Dunwoody, who acquired title to the property on June 14, 2012 as improved for \$1,835,600, as recorded in Book 23098/Page 00743 of the DeKalb County Deed Records. The improvements were built in 1972, are in good condition and have a remaining economic life of 45 years based on estimates. The property has a single-tenant design that is currently occupied by a third-party tenant, and has a current occupancy level of 100.0%, which is above the stabilized occupancy level estimate of 95.0% that was developed in the appraisal. The property is leased in its entirety to the Emory Clinic, Inc., a subsidiary of Emory Healthcare, which is part of Emory University. The lease expires April 30, 2024.

RECOMMENDED ACTION

The purpose of this item is to declare this property surplus. The next steps are to follow Council guidelines, declare the property located at 4555 Shallowford Road surplus and offer it for sale through our real estate broker Colliers International by utilizing their agent Fred Sheats. Mr. Sheats has developed a marketing package for the property as well as signage that is to be placed on the property offering it for sale. All offers meeting the minimum requirements as outlined by the City Council will be presented to the City Council at a future date by Fred Sheats.



PROPERTY & ASSIGNMENT OVERVIEW

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IMPROVEMENT DESCRIPTION

The information presented below is a basic description of the existing improvements using sources deemed dependable for this analysis. It is assumed that there are no hidden defects, and that all structural components are functional and operational, unless otherwise noted.

Property Type	Office - Medical Office
Design	Single-Tenant Occupied By A Third-Party Tenant - 1 Tenant Space
Number of Buildings	1
Number of Stories	2
Net Rentable Area (NRA)	22,000 SF
Floor Plate	11,000 SF
Building Class	B
Site Coverage Ratio	12.7%
Land to Building Ratio	3.9 : 1
Parking	102 (Surface) 4.6/1,000 SF NRA
Year Built	1972
Year Renovated	2014
Age/Life Analysis	
Actual Age	47 Years
Effective Age	10 Years
Economic Life	55 Years
Remaining Life	45 Years
Quality	Good
Condition	Good
Basic Construction	Steel and masonry
Foundation	Reinforced concrete slab
Framing	Structural steel with masonry and concrete encasement.
Exterior Walls	Brick veneer and stucco
Roof	The roof was not inspected. No leaks were observed/reported. It appears the roof membrane may have a modified bitumen membrane.
Insulation	Assumed to be standard and to code for both walls and ceilings.
HVAC	Centralized HVAC units and forced air heating systems with roof-mounted condensing units.
Lighting	Fluorescent and Incandescent
Interior Walls	Drywall
Electrical	The building has a master meter.
Ceilings	2 x 2 acoustical tile
Windows	Standard windows; glass in aluminum frames.

PROPERTY & ASSIGNMENT OVERVIEW

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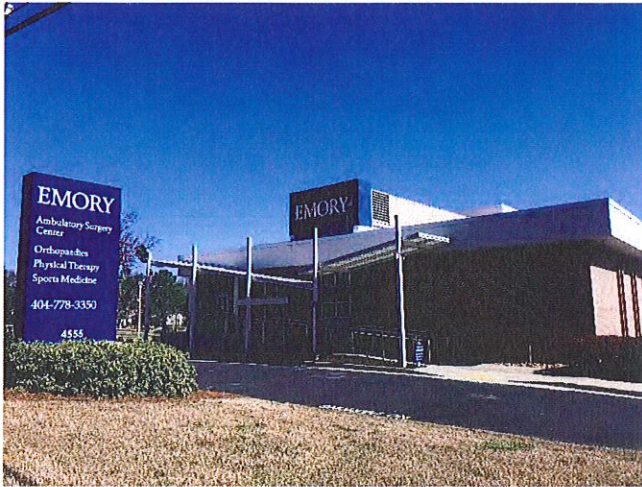
Doors	Storefront glass doors at the building entrance and solid core wood doors within tenant spaces.
Flooring	Commercial carpet, laminate, and vinyl tile.
Plumbing	Standard plumbing for a medical office building.
Fire Protection	The subject has a fire sprinkler system.
Security	The tenant has a security system.
Elevators	The building has one elevator.
Landscaping	Asphalt paving, concrete sidewalks, concrete curbing, pole mounted lights and low maintenance sprinklered landscaping.
Signage	There is a monument style sign along North Shallowford Road at the entrance of the subject. Additionally, the tenant has a roof-mounted sign.
Parking	The subject property has an asphalt paved parking lot that is in good condition. The subject's parking lot provides a ratio of 4.6 spaces per 1,000 SF, which is typical in comparison to other comparable medical office properties.
Deferred Maintenance	While the subject was built in 1972, it is our understanding it had a significant renovation in 2014 for the current tenant's occupancy. The work was paid for by the tenant and not the landlord. We were not provided the scope or cost, nor were we provided a property condition report to identify the building's current condition. However, the subject appears to have an ongoing maintenance program in place. Based on the onsite inspection by the field appraiser, no observable deferred maintenance exists.
Functional Design	The subject improvements offer good utility to the tenant. The building was renovated by the tenant for use as a medical office building with clinical and physical therapy space on the first floor and an ambulatory surgery center with seven operating rooms. The site coverage and parking ratios are within market standards. Overall, the subject has a functional design considering the site and building configurations.

PROPERTY & ASSIGNMENT OVERVIEW

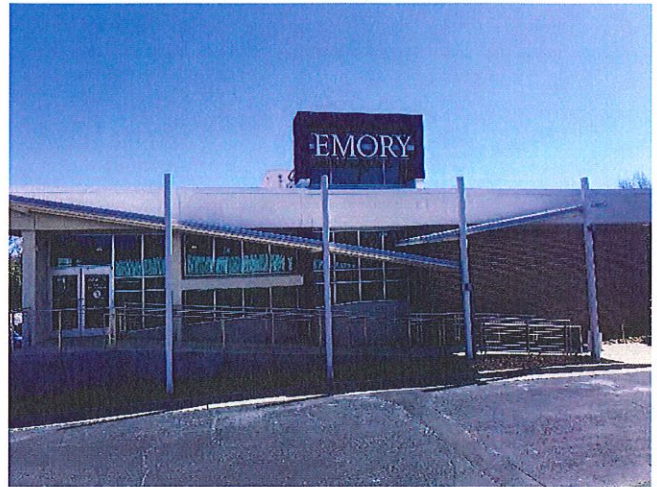
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SUBJECT PHOTOGRAPHS



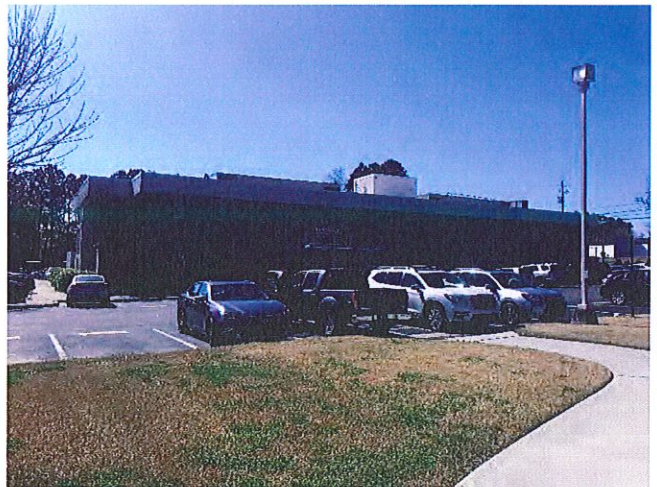
EXTERIOR VIEW



EXTERIOR VIEW



EXTERIOR VIEW



EXTERIOR VIEW



EXTERIOR VIEW



EXTERIOR VIEW

PROPERTY & ASSIGNMENT OVERVIEW

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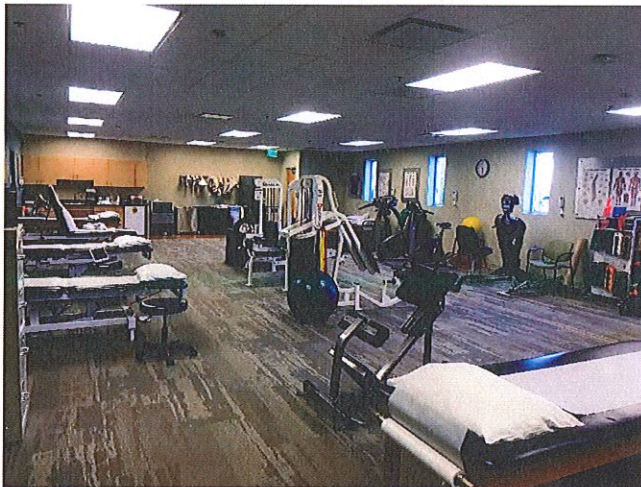
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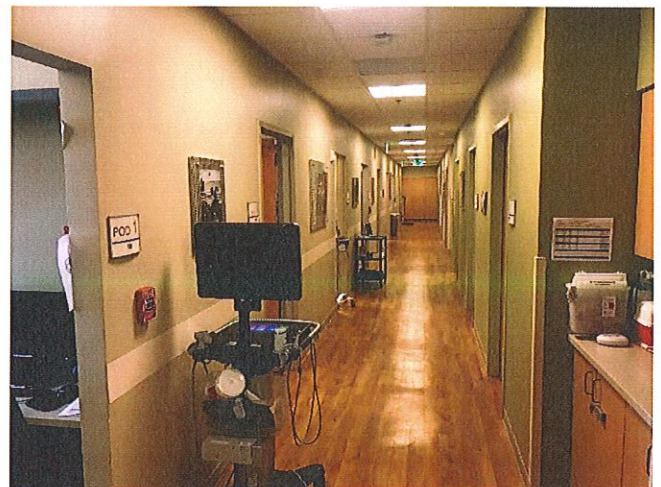
WAITING ROOM



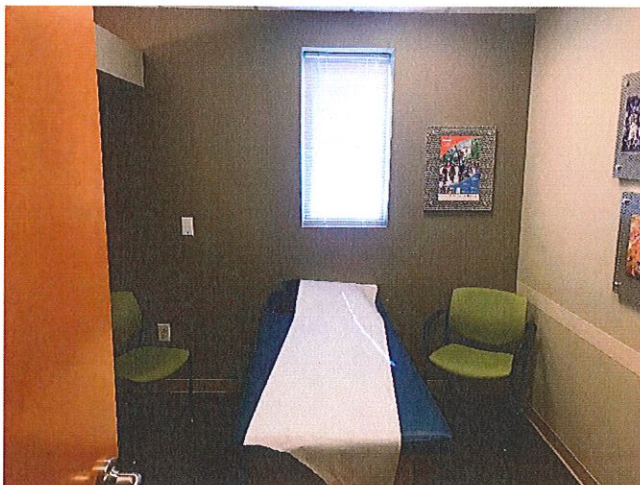
WAITING ROOM



PHYSICAL THERAPY



CLINIC HALLWAY



EXAM ROOM

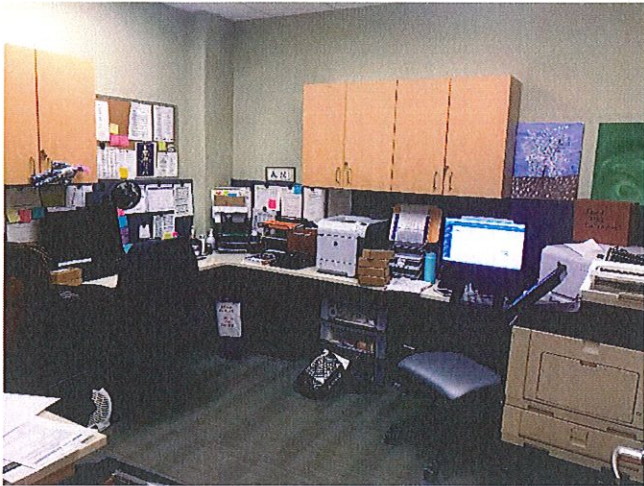


EXAM ROOM

PROPERTY & ASSIGNMENT OVERVIEW

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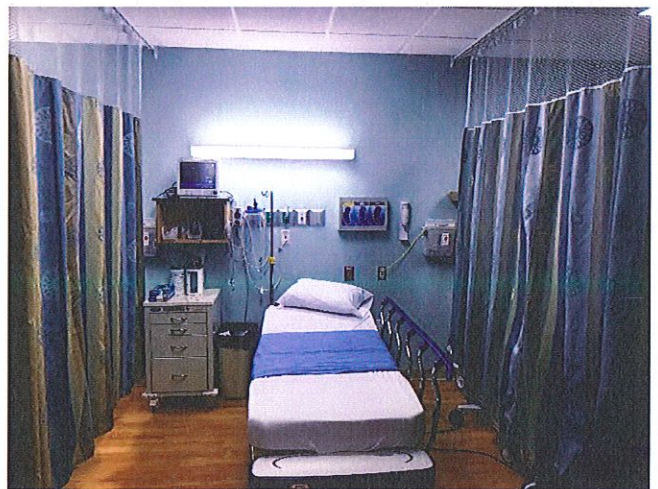
OFFICE



ELEVATOR



SURGERY CENTER



SURGERY CENTER



TYPICAL RESTROOM



VIEW ALONG NORTH SHALLOWFORD ROAD