Market Feasibility and Financial Analysis for a Medical Facility at 22 Madras Parkway, Newnan, Georgia

Ernie Anaya, MBA, NAR
President, Senior Housing and Behavioral Health
Bull Realty, Inc.
eanaya@bullrealty.com
9.26.2025

Executive Summary & Strategic Recommendation

Overview

This report presents a comprehensive market feasibility and financial analysis for the repurposing of an 8,878 square foot, medical-grade facility located at 22 Madras Parkway in Newnan, Georgia. The primary objective is to determine the property's highest and best use as either a general clinic or an urgent care facility. The analysis encompasses a detailed examination of the demographic and socioeconomic landscape within a 5-mile Primary Market Area (PMA), an assessment of the existing healthcare ecosystem, a strategic evaluation of the site's physical and infrastructural advantages, and a rigorous comparative financial model of a purchase-versus-lease scenario.

Market Opportunity

The analysis reveals a robust and compelling market opportunity. The 5-mile PMA is characterized by a dense and growing population of 56,473 residents in 21,833 households.[1] The area exhibits strong economic vitality, with a median household income of $78,204 and an average household net worth of $1,651,953, which surpasses both city and state averages.[1] This economic strength, coupled with high local home values, indicates a significant capacity for healthcare spending. Based on established consumer spending data provided by ESRI showing the average healthcare spent per household within a 5-mile is $8,015; thus, the total addressable healthcare market within the PMA is estimated to exceed $175 million annually, representing a substantial revenue pool for a new market entrant.

Competitive Landscape & Service Gap

The local healthcare market is dominated by the Piedmont Healthcare system, anchored by the 217-bed Piedmont Newnan Hospital.[2] While the urgent care segment is well-served, a critical and quantifiable service gap exists in primary care. Coweta County has a patient-to-primary-care-physician ratio of 2,205:1, a figure that indicates a severe undersupply of accessible primary care services; the ideal ratio is 1,500:1.[3] This shortage creates significant revenue leakage as patients are forced into higher-cost emergency departments for non-emergent issues or seek care outside the PMA. This gap represents the single most significant opportunity for a new facility.

Site & Infrastructure Advantage

The subject property possesses two distinct and powerful strategic advantages. First, its previous function as a hospice built to hospital standards makes it a "move-in ready" medical asset, potentially saving over $1 million in fit-out costs and dramatically accelerating the timeline to revenue generation.

Second, the property is situated at the nexus of a transformative infrastructure project: the Madras Connector. This planned extension will link the site's local GA Highway 29 directly to Interstate 85, merging its current traffic exposure of 17,600 vehicles per day with the interstate's 76,000 vehicles per day.[4] This will fundamentally elevate the site's visibility and accessibility, expanding its patient draw area from a local sub-market to a major regional corridor.

Financial Recommendation

The financial analysis compares a $1.9 million acquisition via an SBA 504 loan against a 10-year NNN lease. The findings are conclusive: purchasing the property is the superior long-term financial strategy. Both the purchase price and the offered lease rate are significantly below current market averages, presenting a uniquely favorable opportunity. However, the purchase scenario offers a lower total cash outflow from the first year, resulting in an estimated savings of over $365,000 over a 10-year period compared to leasing. Furthermore, the acquisition strategy builds approximately $450,000 in equity over the same timeframe, creating a valuable long-term asset at a discounted entry point.

Strategic Recommendation for Highest and Best Use

Based on the synthesis of market demand, competitive dynamics, site advantages, and financial modeling, the highest and best use for the property at 22 Madras Parkway is the development of a **Hybrid Primary & Urgent Care Clinic with a specialized focus on Geriatric Medicine and Chronic Disease Management**. This model is optimally positioned to:

- **Capture the Market Gap:** Directly address the acute shortage of primary care in the region.
- **Serve the Core Demographic:** Target the high-need, high-utilization senior population that is geographically concentrated around the property.
- **Implement a Sustainable Competitive Strategy:** Establish a symbiotic referral relationship with the dominant hospital system rather than engaging in direct, high-risk competition.
- **Leverage the Future Infrastructure:** The hybrid model's walk-in urgent care component

will fully capitalize on the high-visibility, high-traffic location created by the Madras Connector project.

Primary Market Area Profile: A Deep Dive into the Consumer Base

Defining the Primary Market Area (PMA)

The strategic viability of any healthcare facility is fundamentally tied to the characteristics of the population it serves. For this analysis, the Primary Market Area (PMA) is defined as the geographic region within a 5-mile radius of the subject property at 22 Madras Parkway, Newnan, Georgia. This radius represents the core patient draw area from which a new clinic or urgent care center would expect to attract most of its patient base.

The PMA is a densely populated and growing suburban enclave. It is home to a total population of **56,473 people** residing in **21,833 households**.[1] The population density within this area is 733 people per square mile, a figure significantly higher than the density of both the broader Coweta County (340 people/sq. mile) and the state of Georgia (188 people/sq. mile).[1]

This concentration of residents in a relatively compact geographic area is a highly favorable characteristic for a community-based healthcare provider, as it increases the potential patient volume per square mile and enhances the efficiency of targeted marketing and outreach efforts. The population within this 5-mile radius is notably larger than that of the City of Newnan proper, which has a population of approximately 43,500 [6], indicating that the PMA successfully captures the surrounding, rapidly growing suburban communities that rely on Newnan as their commercial and medical hub.

Socioeconomic Stratification: Income, Wealth, and Affordability

A detailed assessment of the PMA's socioeconomic profile is critical to understanding the population's ability to pay for healthcare services and to developing an effective payer mix strategy. The data reveals a market that is, on average, more affluent than its surrounding region, with underlying complexities that present both opportunities and challenges.

The median household income within the 5-mile PMA is **$78,204**.[1] This figure is a strong indicator of economic health, standing comfortably above the median household income for the state of Georgia ($74,664) and the City of Newnan (which ranges from $71,630 to $80,299 depending on the data source).[1] This suggests a robust base of households with stable employment and access to commercial health insurance plans, which typically offer higher reimbursement rates than government payers.

Home value serves as a reliable proxy for household net worth and long-term financial stability. The housing market in Newnan is strong, with median home sale prices reported in the range of **$369,128 to $421,200**.[11] These values are substantially higher than the Georgia state median of $272,900, indicating significant accumulated wealth in the form of home equity within the community.[7] According to ESRI, the average Net Worth within a 5-mile radius of the facility is an impressive **$1,651,953**.

The subject property's location likely falls within or between two key ZIP codes, 30263 and 30265. The latter, ZIP code 30265, is particularly affluent, with a median household income of $104,446 and a typical home value of $394,091.[14] The presence of such affluence points to a market segment willing and able to pay for premium or out-of-network healthcare services. For instance, **The Heritage School**, a private 1-12 Grade school with tuition as high as $25,350 per year is next door. And the **Newnan Country Club** is 1.8 miles away on GA Highway 29.

However, a deeper analysis of income distribution reveals a more nuanced, bifurcated market. While the median is high, the data shows that 11.2% of households in the PMA have an annual income exceeding $200,000, representing a prime target for concierge or specialized medical services.[1]

Age Cohort Analysis: Identifying High-Need Demographics

The demand for healthcare services is not uniform across all age groups. An analysis of the PMA's age distribution is essential for forecasting the specific types of medical care that will be most needed. The data points to strong demand drivers at both ends of the age spectrum: pediatrics and geriatrics.

The PMA contains a substantial **Child Population (ages 0-17) of 13,591**, representing approximately 24% of the total population.[1] This large cohort of children and adolescents will drive consistent demand for pediatric primary care, sick visits, vaccinations, and school-related physicals.

At the other end of the spectrum, the **Older Population (ages 65 and over) numbers 8,052**, making up 14.3% of the PMA's residents.[1] This percentage is slightly higher than the 13.5% reported for the City of Newnan, suggesting the immediate suburban area has a slightly older demographic profile.[9] This senior population is the highest-utilizing demographic for healthcare services, requiring ongoing management of chronic conditions, preventative screenings, and treatment for acute illnesses. The leading cause of death in Coweta County is heart disease, a condition that disproportionately affects older adults and requires intensive primary care management.[16]

The most compelling finding arises when overlaying this demographic data with more granular geographic analysis from Coweta County. County-level planning documents explicitly state that the **highest concentration of seniors (those aged over 65) is located on the east side of Newnan**.[18] The subject property at 22 Madras Parkway is situated directly within this geographic concentration. This is not merely a coincidence; it is a profound strategic advantage. The property is not just located in a market with a significant senior population; it is located in the precise epicenter of that population. This strategic positioning is further amplified by the presence of the **Wesley Woods Assisted Living Facility**, located directly across the street from the subject property. This facility represents a significant, built-in source of potential patient referrals, creating an immediate opportunity for community partnership and patient base development. The challenge for this demographic is often access to care, and placing a facility directly in their neighborhood removes a significant barrier, creating a strong competitive advantage and a clear path to capturing a loyal patient base.

Table 1: PMA Demographic & Economic Summary

Metric	5-Mile PMA	City of Newnan	Coweta County
Total Population	56,473 [1]	43,510 [6]	147,449 [18]
Number of Households	21,833 [1]	16,895 [9]	59,060 [19]
Population Density (per sq. mile)	733 [1]	2,225.6 [7]	340 [1]
Median Household Income	$78,204 [1]	$80,299 [9]	$94,142 [1]
Average Net Worth	$1,651,953	N/A	N/A
Households > $200k (%)	11.2% [1]	11.5% [15]	13.4% [15]
Households < $25k (%)	14.0% [1]	N/A	N/A
Median Home Value	~$380,000 [11]	$369,128 [11]	$291,900 [21]
Population 0-17	24.1% (13,591) [1]	~24% [19]	25.0% [3]

Years (%)			
Population 65+ Years (%)	14.3% (8,052) [1]	13.5% [9]	14.7% [3]

Healthcare Market Analysis: Demand, Competition, and Opportunity

Calculating the Total Addressable Market (TAM) & Revenue Leakage

To assess the financial opportunity, it is essential to first quantify the total potential healthcare spending within the PMA. Utilizing the ESRI-provided figure of an average annual healthcare expenditure of **$8,015 per household**, and applying it to the **21,833 households** within the 5-mile radius, we can calculate the Total Addressable Market (TAM).[1]

$$\text{TAM} = (\text{Households in PMA}) \times (\text{Average Healthcare Spend per Household})$$
$$\text{TAM} = 21{,}833 \times \$8{,}015 = \$175{,}001{,}495$$

This calculation reveals a substantial local healthcare economy of over $175 million annually. This figure represents the total revenue pool that all healthcare providers within the PMA are competing to capture. The key strategic question is how much of this spending is being inadequately served or "leaked" out of the community due to service gaps.

The most glaring service gap, and therefore the primary driver of revenue leakage, is the profound shortage of primary care physicians. Data for Coweta County reveals a **patient-to-primary-care-physician ratio of 2,205 to 1**.[3] This ratio is significantly higher than the benchmark of 1,500:1 that is often considered the minimum for adequate access, and it points to a market under significant strain.

This is not merely an abstract statistic; it has direct and predictable consequences on patient behavior and revenue flows. When patients cannot secure a timely appointment with a primary care provider for a non-emergency issue, they are forced into one of several inefficient and costly alternatives. They may turn to a hospital emergency department (ED), contributing to the 55,113 annual ED visits recorded at **Piedmont Newnan Hospital**, many of which are for conditions that could be more appropriately and cost-effectively managed in a clinic setting.[22]

Alternatively, they may become frustrated and seek care in a neighboring community with better physician availability, resulting in a direct outflow of revenue from the PMA. In other cases, patients may simply delay or forgo care altogether, leading to poorer long-term health outcomes and escalating future healthcare costs when preventable conditions become acute. A new facility that can offer accessible, same-day, or next-day appointments for primary care needs is perfectly positioned to intercept this displaced demand, capturing revenue that is currently being lost or inefficiently spent.

Competitive Intelligence: Mapping the Existing Infrastructure

The healthcare landscape within the PMA is well-developed but heavily consolidated under a single dominant system. A thorough understanding of the existing players is crucial for developing a viable market entry strategy.

The market is unequivocally anchored by **Piedmont Newnan Hospital**, a 217-bed, acute-care, facility that serves as the only hospital in Coweta County.[2] It offers a comprehensive suite of services, including a 24-hour emergency department, advanced cancer care, surgical services, and maternity care.[2] The hospital and its affiliated entities form a powerful, integrated delivery network that commands significant market share and brand recognition.

The urgent care segment is a direct extension of this network. Piedmont operates multiple high-visibility urgent care centers, including **Piedmont Urgent Care Newnan Crossing**, strategically located across from the hospital, and **Piedmont Urgent Care Newnan Hwy 34**.[25] These are complemented by other providers such as

Peachtree Immediate Care and **UrgenCare Clinic**, creating a competitive and relatively saturated market for episodic, walk-in care.[28]

The primary and specialty care market consists of a mix of physicians directly employed by Piedmont, such as those at **Piedmont Physicians at Newnan Professional Center**, and independent practices like **Newnan Family Medicine**.[31] There are also various specialty groups, such as

Digestive Healthcare of Georgia, and a **Newnan VA Clinic** that serves the area's veteran population.[33]

An analysis of this competitive map reveals a critical strategic consideration. The market is not a level playing field; it is an ecosystem dominated by Piedmont Healthcare.[35] Attempting to launch a new, independent urgent care center to compete directly with Piedmont's established network would be a high-risk, capital-intensive endeavor. It would require immense marketing spend to build brand awareness and would face significant hurdles in negotiating favorable contracts with insurers who already have strong relationships with the dominant system.

A far more astute strategy is one of "co-opetition"—a blend of cooperation and competition. The identified shortage of primary care physicians is not just a problem for patients; it is a strategic bottleneck for the Piedmont system itself. A hospital system's financial health depends on a steady stream of referrals to its high-margin specialty services, diagnostic imaging centers, and inpatient admissions. Without sufficient primary care "front doors," the pipeline of new patients into the system is constrained. A new, high-quality primary care clinic, even an independent one, would function as a new entry point for patients into the local healthcare ecosystem. By focusing on providing excellent, accessible primary care and establishing strong professional relationships with local specialists, the new clinic can become a valuable and consistent source of referrals *to* the Piedmont network.

This creates a symbiotic relationship: the clinic thrives by filling the primary care void, while Piedmont benefits from an expanded referral base without having to invest in building and staffing another primary care office. This approach aligns the new facility's success with the interests of the market leader, representing a much more sustainable and profitable path than direct confrontation.

Table 2: Competitive Healthcare Facility Matrix (within 5-Mile PMA)

Facility Name	Provider/Affiliation	Service Type	Address	Approx. Distance from Site
Piedmont Newnan Hospital	Piedmont Healthcare	Hospital	745 Poplar Rd, Newnan, GA 30265 [24]	~4.0 miles
Piedmont Urgent Care Newnan Crossing	Piedmont Healthcare	Urgent Care	2084 Newnan Crossing Blvd, Newnan, GA 30265 [26]	~3.9 miles
Piedmont Urgent Care Newnan Hwy 34	Piedmont Healthcare	Urgent Care	1825 GA-34, Newnan, GA 30265 [25]	~5.1 miles (edge of PMA)
Peachtree Immediate Care - Newnan	Emory Healthcare Affiliate	Urgent Care	371 Newnan Crossing Bypass, Ste 103, Newnan, GA 30265 [28]	~3.5 miles
UrgenCare Clinic - Newnan	UrgenCare	Urgent Care	16 Market Square Road, Newnan, GA 30263 [29]	~2.5 miles

Newnan Family Medicine	Independent	Primary Care	1062 Newnan Rd, Carrollton, GA 30116 (Address varies, likely in Newnan) [31]	~3-5 miles
Piedmont Physicians at Newnan Professional Center	Piedmont Healthcare	Primary Care	2401 Newnan Crossing Blvd E, Ste 200, Newnan, GA 30265 [32]	~4.1 miles
Coweta Samaritan Clinic	Non-Profit	Primary Care (Uninsured)	137 Jackson St, Newnan, GA 30263 [37]	~2.1 miles
Newnan VA Clinic	Veterans Affairs	Primary Care (Veterans)	39-A Oak Hill Court, Newnan, GA 30265 [33]	~5.5 miles (edge of PMA)

Site and Infrastructure Analysis: The Madras Parkway Strategic Advantage

Facility Evaluation: A De-Risked Asset

The subject property at 22 Madras Parkway is not a standard commercial shell; it is a purpose-built medical facility that offers a significant head start on development. The 8,878 square foot building built in 2009 was built as a **12-room hospice constructed to hospital standards** and includes a gas-powered generator, sprinkler systems, patient call system, and video cameras. Seller completed a transition from septic to sewer in March 2025 at a cost of over **$50,000**. This prior use is a critical asset that substantially de-risks the investment in both financial and operational terms.

Converting a typical commercial space for medical use is a complex and costly undertaking. Such a project often requires a complete gut renovation to accommodate the unique infrastructural needs of a healthcare environment, including wider corridors and doorways for gurney and wheelchair access, specialized medical gas and vacuum lines, upgraded electrical systems to power diagnostic equipment, and robust plumbing for multiple exam and treatment rooms. The cost for such a fit-out can easily range from $150 to over $250 per square foot. For an 8,878 SF building, this would translate into a potential capital expenditure of $1.3 million to over $2.2 million, in addition to the acquisition cost of the property itself.

Because the subject property was already built to a high medical standard, it is highly probable that much of this foundational infrastructure is already in place. The necessary investment would therefore shift from a costly, ground-up structural conversion to a much more manageable scope focused on cosmetic updates, workflow modifications, and the installation of specific medical equipment tailored to the new practice.

This could easily represent capital **savings of over $1,000,000**. Beyond the direct financial savings, this "move-in ready" condition provides a crucial speed-to-market advantage. The timeline from acquisition to opening could be shortened by several months, allowing the facility to begin serving patients and generating revenue far more quickly than a competitor who must undertake a full-scale renovation. This ability to rapidly capitalize on the identified primary care gap is a significant competitive differentiator.

The Madras Connector Project: A Paradigm Shift in Accessibility

While the building's physical attributes are a major asset, its future strategic value is set to be transformed by a major public infrastructure project: the Madras Connector. The **Madras Connector, Phase I** is a funded and active transportation project managed by the Georgia Department of Transportation.[38] Its purpose is to create new roadway connectivity from US 29/SR 14—the road on which the subject property is located—eastward across the CSX railroad tracks to Herring Road. This is the initial phase of a larger plan to ultimately connect the roadway to a **new interchange on Interstate 85 at Amlajack Boulevard**.[4]

The impact of this project on the subject property cannot be overstated. It will directly link the local arterial road in front of the site, GA Highway 29, which currently has a daily traffic count of **17,600 vehicles**, to the primary north-south interstate corridor for the entire region, I-85, which according to ESRI carries **76,000 vehicles per day**.

This infrastructure upgrade will fundamentally alter the business model for any consumer-facing enterprise at this location. Currently, 22 Madras Parkway is a "destination" site. Patients would need to have a pre-existing reason and specific directions to find and visit the facility. Upon completion of the Madras Connector, the property will be situated on a major thoroughfare with direct, high-speed access to an interstate. This elevates its status to a "convenience" location, dramatically increasing its visibility, accessibility, and brand exposure.

For a healthcare facility, particularly one with an urgent or walk-in care component, this transformation is a game-changer. The success of an urgent care model is heavily predicated on three factors: visibility – the facility will be at the **corner of Madras Parkway and GA HWY 29**, accessibility, and convenience. The Madras Connector project delivers decisively on all three. The potential patient draw area expands geometrically, from the immediate 5-mile PMA to the entire I-85 travel corridor through Coweta County.

Commuters, travelers, and residents from a much wider geographic footprint will pass the location daily, making it a top-of-mind choice for immediate medical needs. The investment, therefore, is not merely in the current building but in its future position as a prime commercial healthcare property on a major regional artery. This future reality strongly supports the recommended hybrid clinic model, which can serve a scheduled primary care patient base while simultaneously capitalizing on the high-volume, high-visibility traffic of a walk-in urgent care practice.

Financial Feasibility Analysis: A Comparative Study of Acquisition vs. Lease

This section provides a rigorous financial comparison between two potential paths for securing the 8,878 SF medical facility: outright purchase via an SBA 504 loan and a long-term NNN (triple net) lease. The analysis is projected over a 10-year horizon to provide a clear picture of the long-term financial implications of each strategy.

Estimating NNN (Triple Net) Costs

In both a NNN lease and an ownership scenario, the operator is responsible for the property's operating expenses, commonly referred to as the "three nets": property taxes, property insurance, and common area maintenance (CAM). Establishing a realistic estimate for these costs is the first step in the analysis.

- **Property Taxes:** The median effective property tax rate in Newnan is **0.92%** of the property's assessed market value.[41] Applying this rate to the $1,900,000 purchase price yields an estimated annual property tax liability of **$17,480**. On a per-square-foot basis, this equates to approximately **$1.97/SF**.
- **Property Insurance:** While average business owner's policy costs in Georgia are low, a specialized medical facility with a replacement value approaching $2 million requires more substantial coverage.[42] Based on industry data for commercial properties of this scale and value, a reasonable annual premium estimate is **$7,102**, or **$0.80/SF**.[43]
- **Common Area Maintenance (CAM):** For a single-tenant property, CAM expenses are direct costs for maintaining the exterior and structure, including landscaping, parking lot upkeep (sweeping, striping, repairs), roof maintenance, and exterior lighting. Industry averages for these services typically range from $1.50 to $2.50 per square foot annually.[45] A conservative estimate of **$2.00/SF** is used for this model, resulting in an annual maintenance budget of **$17,756**.

Summing these components, the total estimated annual NNN cost is **$42,338**, or **$4.77/SF,** added to the **lease rate**. This figure will be applied as a recurring annual expense in both the purchase and lease scenarios.

Scenario A: The Purchase Option (SBA 504 Loan)

This scenario models the acquisition of the property for $1,900,000 using the specified SBA 504 loan structure. It is crucial to contextualize this purchase price within the broader market. According to a CoStar report analyzing 104 medical office transactions in Georgia during 2025, the average sale price was **$324.59 per square foot**. The subject property, at a sale price of $1,900,000 for 8,878 SF, is priced at **$214 per square foot**.

This indicates that the property is being offered at a significant discount—approximately 34% below the state average for comparable properties. This below-market pricing substantially enhances the value proposition of the acquisition, representing not just an operational asset but an immediate equity opportunity.

- **Capital Structure:**
  - Sale Price: $1,900,000
  - Down Payment (10%): **$190,000**
  - Total Loan Amount: $1,710,000
- **Debt Service:**
  - Loan Term: 25 years (300 months)
  - Interest Rate: 6.037%
  - Calculated Monthly Principal & Interest (P&I): **$10,881**
  - Annual Debt Service (P&I): **$130,572**
- **Total Annual Cost (Year 1):**
  - The total cash outflow in the first year of operation consists of the annual debt service plus the NNN expenses.
  - Total Annual Cost = $130,572 (P&I) + $42,338 (NNN) = **$172,910**

Scenario B: The Lease Option (10-Year NNN Lease)

This scenario models a 10-year NNN lease with the specified terms. Similarly, the lease rate offered warrants market comparison. A recent CoStar report indicates that the average NNN lease rate for medical office space in the area is **$24.55 per square foot**. The offered rate of **$18.00 per square foot** is substantially below this market average. This favorable lease term makes the leasing scenario more financially attractive than it would be at typical market rates.

- **Lease Structure:**
  - Base Rental Rate: **$18.00/SF**
  - Annual Rent Escalation: 3%
- **Year 1 Costs:**
  - Annual Base Rent: 8,878 SF * $18.00/SF = **$159,804**
  - Annual NNN Costs: **$42,338**
  - Total Year 1 Cost = $159,804 (Base Rent) + $42,338 (NNN) = **$202,142**
- **Escalating Costs:** Unlike the fixed mortgage payment in the purchase scenario, the base rent in the lease scenario increases by 3% each year. This compounding escalation significantly impacts the total cost over the life of the lease. For example, by Year 5, the

annual base rent would be approximately $180,091, and by Year 10, it would reach $208,525.

Comparative Analysis & Key Financial Insights

A direct, year-over-year comparison of the two scenarios reveals a clear and compelling financial advantage to purchasing the property. The initial cash outlay for the down payment is significant, but the long-term benefits in terms of lower annual costs and wealth creation are substantial.

From the very first year, the total annual cash outflow for the purchase option ($172,910) is **$29,232 lower** than the total cost of leasing ($202,142). This annual savings for the owner grows each year as the 3% lease escalation widens the gap between the rising rent and the fixed mortgage payment.

Over the 10-year analysis period, the total cumulative cash outlay for the lease option (including all base rent and NNN payments) amounts to approximately **$2,285,000**. In contrast, the total cumulative cash outlay for the purchase option (including the initial $190,000 down payment, all mortgage payments, and all NNN payments) is approximately **$1,920,000**. This demonstrates a net **cash savings of over $365,000** over the decade by choosing to purchase.

Perhaps most importantly, the purchase scenario is an investment in an asset, while the lease scenario is purely an expense. At the end of the 10-year period, the leaseholder has no equity to show for their $2.285 million in payments. The property owner, however, will have paid down a significant portion of the loan principal.

Based on the amortization schedule, after 10 years of payments, the owner will have built approximately **$450,000 in equity**. When combining the cash savings ($365,000) with the equity created ($450,000), the total financial advantage of purchasing the property exceeds $815,000 over 10 years. This makes the acquisition via an SBA 504 loan unequivocally superior financial decision for any operator with a long-term commitment to the location.

Table 3: 10-Year Occupancy Cost Analysis: Purchase vs. Lease

Year	Lease Base Rent	Lease NNN	Total Lease Cost per Year	Total Lease Cost	Sale P&I	Sale NNN	Sale Cost Per year	Total Sale Outlay	Delta
Initial	-	-	-	-	-	-	-	**$190,000**	-
1	$159,804	$42,338	$202,142	$202,142	$130,572	$42,338	$172,910	$362,910	$29,190

2	$164,598	$42,338	$206,936	$409,078	$130,572	$42,338	$172,910	$535,820	$60,158
3	$169,536	$42,338	$211,874	$620,952	$130,572	$42,338	$172,910	$708,730	$92,999
4	$174,622	$42,338	$216,960	$837,912	$130,572	$42,338	$172,910	$881,640	$127,815
5	$179,861	$42,338	$222,199	$1,060,111	$130,572	$42,338	$172,910	$1,054,550	$164,714
6	$185,257	$42,338	$227,595	$1,287,706	$130,572	$42,338	$172,910	$1,227,460	$203,810
7	$190,814	$42,338	$233,152	$1,520,858	$130,572	$42,338	$172,910	$1,400,370	$245,226
8	$196,539	$42,338	$238,877	$1,759,735	$130,572	$42,338	$172,910	$1,573,280	$289,091
9	$202,435	$42,338	$244,773	$2,004,508	$130,572	$42,338	$172,910	$1,746,190	$335,543
10	$208,508	$42,338	$250,846	**$2,255,354**	$130,572	$42,338	$172,910	**$1,919,100**	**$384,729**

Note: Cumulative Purchase Outlay includes the initial $190,000 down payment. Equity is calculated based on principal paid and does not account for property value appreciation.

Conclusion: Determining Highest and Best Use

Synthesis of Analysis

The comprehensive analysis presented in this report converges on a set of clear, data-driven conclusions that collectively point toward a singular, optimal strategic direction for the property at 22 Madras Parkway.

First, the Primary Market Area is demonstrably strong, characterized by a dense, growing, and relatively affluent population with an average household net worth exceeding $1.6 million. This provides a stable economic foundation for a new healthcare enterprise. Critically, the market contains a clear and quantifiable service gap: a severe shortage of primary care physicians. This undersupply, combined with a geographically concentrated and high-need senior population in the immediate vicinity of the property, creates a well-defined target market with urgent, unmet needs.

Second, the competitive environment, while dominated by the Piedmont Healthcare system, is structured in a way that allows for a "co-opetition" strategy. The primary care shortage acts as a bottleneck for the entire local healthcare ecosystem. A new facility focused on filling this gap can function as a valuable referral source for the dominant hospital system, creating a symbiotic relationship that is far more sustainable than direct, head-to-head competition.

Third, the subject property itself is a uniquely valuable asset. Its prior construction to hospital standards significantly de-risks the project by drastically reducing the required capital investment and accelerating the speed-to-market. This physical advantage is magnified by the transformative potential of the Madras Connector project, which will convert the site's location from a secondary "destination" to a primary "convenience" location with direct access to the I-85 corridor, exponentially increasing its visibility and patient draw.

Fourth, the financial analysis is unequivocal. The property is being offered for both sale and lease at rates significantly below current market averages, presenting a rare opportunity. While the lease is attractive, acquiring the property through an SBA 504 loan is substantially more advantageous. The purchase option offers lower annual operating costs, generates hundreds of thousands of dollars in cash savings, and builds significant equity in an asset acquired at a 34% discount to market comparables.

Best Fit

Based on the synthesis of these findings, the highest and best use for the property at 22 Madras Parkway is the development and operation of a **Hybrid Primary & Urgent Care Clinic with a specialized focus on Geriatric Medicine and Chronic Disease Management.**

This specific model is recommended because it most effectively integrates and capitalizes on all the key opportunities identified in the analysis:

- **It Addresses the Core Market Gap:** The primary care component directly targets the 2,205:1 patient-to-physician ratio, capturing the significant revenue leakage that results

from this shortage.
- **It Serves the Ideal Demographic:** The specialization in geriatric medicine and chronic disease management caters directly to the high-need senior population that is most concentrated in the property's immediate geographic area, with a built-in referral source from the **Wesley Woods** facility across the street.
- **It Navigates the Competitive Landscape:** The model positions the facility as a crucial "front door" to the healthcare system, enabling a collaborative referral relationship with Piedmont's specialists and hospital services.
- **It Leverages the Site's Future Potential:** The hybrid model's urgent care/walk-in component is perfectly suited to capitalize on the high-volume, high-visibility traffic that the Madras Connector project will deliver, ensuring the facility's growth potential is maximized as the infrastructure develops.
- **It Aligns with the Optimal Financial Strategy:** The business model supports a long-term operational presence, which aligns perfectly with the superior economics and wealth-creation potential of acquiring a below-market-value property over leasing.

In conclusion, this recommended use represents the most strategic and financially sound path forward, transforming the property at 22 Madras Parkway into a vital and profitable community healthcare asset.

Disclaimer

While the information is deemed reliable, no warranty is expressed or implied. Any information important to you or another party should be independently confirmed within an applicable due diligence period.

Works cited

1. East Newnan, GA Radius Demographics | Current Census Data, accessed September 26, 2025, https://demographicsbyradius.com/georgia/east-newnan-ga
2. Piedmont Newnan Hospital, accessed September 26, 2025, https://www.piedmont.org/locations/piedmont-newnan/about
3. Coweta County, GA - Data USA, accessed September 26, 2025, https://datausa.io/profile/geo/coweta-county-ga
4. 2050 MTP PROJECT FACT SHEET CW-076 - Atlanta Regional Commission, accessed September 26, 2025, http://documents.atlantaregional.com/transportation/quarterlyfactsheets/CW-076.PDF
5. A Phase I Archaeological Survey for the Proposed Madras Connector Project in Coweta County, Georgia, accessed September 26, 2025, https://archaeology.uga.edu/gasf/report/9810
6. Newnan, GA | Data USA, accessed September 26, 2025, https://datausa.io/profile/geo/newnan-ga
7. Newnan, GA - Profile data - Census Reporter, accessed September 26, 2025, http://censusreporter.org/profiles/16000US1355020-newnan-ga/

8. Demographics | Newnan, GA, accessed September 26, 2025, https://www.newnanga.gov/179/Demographics
9. Newnan city, Georgia - Census Bureau Profile, accessed September 26, 2025, https://data.census.gov/profile/Newnan_city,_Georgia?g=1600000US1355020
10. Newnan, Georgia Population 2025, accessed September 26, 2025, https://worldpopulationreview.com/us-cities/georgia/newnan
11. Newnan, GA Housing Market: 2025 Home Prices & Trends | Zillow, accessed September 26, 2025, https://www.zillow.com/home-values/53569/newnan-ga/
12. Newnan, GA 2025 Housing Market | realtor.com®, accessed September 26, 2025, https://www.realtor.com/realestateandhomes-search/Newnan_GA/overview
13. Newnan, GA Homes for Sale under $300K, accessed September 26, 2025, https://www.homes.com/newnan-ga/under-300k/
14. 30265, GA Housing Market: 2025 Home Prices & Trends | Zillow, accessed September 26, 2025, https://www.zillow.com/home-values/70993/newnan-ga-30265/
15. 30265 Georgia Income Statistics | Current Census Data for Zip Codes, accessed September 26, 2025, https://www.incomebyzipcode.com/georgia/30265
16. 2020, 2021 and 2022 health priorities Key findings - Piedmont Healthcare, accessed September 26, 2025, https://www.piedmont.org/media/file/2019-12-PNH-2019-CHNA-Strategy.pdf
17. Coweta - Georgia Rural Health Innovation Center, accessed September 26, 2025, https://www.georgiaruralhealth.org/county/coweta/
18. Population | Coweta County, GA Website, accessed September 26, 2025, https://www.coweta.ga.us/about-coweta/comprehensive-plan/data/community-data
19. Demographics - Coweta County Development Authority, accessed September 26, 2025, https://choosecoweta.com/demographics/
20. Newnan, GA Housing Market - Redfin, accessed September 26, 2025, https://www.redfin.com/city/14250/GA/Newnan/housing-market
21. Georgia Property Tax Calculator - SmartAsset.com, accessed September 26, 2025, https://smartasset.com/taxes/georgia-property-tax-calculator
22. Community Health Needs Assessment | Piedmont Newnan Hospital, accessed September 26, 2025, https://www.piedmont.org/media/file/2022-11-PNH-Community-Health-Needs-Assessment.pdf
23. Healthcare | Newnan, GA, accessed September 26, 2025, https://www.newnanga.gov/180/Healthcare
24. Piedmont Newnan Hospital, accessed September 26, 2025, https://www.piedmontsouthimaging.com/piedmont-newnan-hospital.php
25. Newnan, GA - Piedmont Urgent Care, accessed September 26, 2025, https://www.piedmonturgentcare.org/locations/newnan-ga?location=601
26. Newnan Crossing, GA - Piedmont Urgent Care, accessed September 26, 2025, https://www.piedmonturgentcare.org/locations/newnan-crossing-ga?location=609
27. Urgent Care in Newnan, Georgia - Piedmont Healthcare locations., accessed September 26, 2025, https://services.piedmont.org/georgia/newnan/urgent-care
28. Newnan Urgent Care - Peachtree Immediate Care, accessed September 26, 2025, https://www.peachtreemed.com/location/newnan/

29. Newnan, GA | Visit Us Today — UrgenCare Clinic, accessed September 26, 2025, https://www.urgencare.com/newnan-ga
30. UrgenCare | Urgent Care & Occupational Health | GA & AL, accessed September 26, 2025, https://www.urgencare.com/
31. Newnan Family Medicine and Primary Care Center | Coweta County, GA, accessed September 26, 2025, https://www.newnanfamilymedicine.com/
32. Piedmont Physicians at Newnan Professional Center, accessed September 26, 2025, https://www.care.piedmont.org/locations/location-details/practice/59
33. Newnan VA Clinic | VA Atlanta Health Care | Veterans Affairs, accessed September 26, 2025, https://www.va.gov/atlanta-health-care/locations/newnan-va-clinic
34. Gastroenterologist in Newnan - Digestive Healthcare, accessed September 26, 2025, https://digestivehealthcare.net/contact-locations/newnan/
35. Piedmont Healthcare | Real Change Lives Here, accessed September 26, 2025, https://www.piedmont.org/
36. Peachtree Immediate Care - Newnan - Kaiser Permanente, accessed September 26, 2025, https://healthy.kaiserpermanente.org/georgia/facilities/peachtree-immediate-care-newnan-338547
37. Coweta Samaritan Clinic, accessed September 26, 2025, https://www.csccares.org/
38. Transportation Projects & Road Closures | Coweta County, GA Website, accessed September 26, 2025, https://www.coweta.ga.us/departments-services/departments-f-q/public-works/engineering/transportation-projects-road-closures
39. FY2025 - 2026 Project Forecast July 2024 - GDOT, accessed September 26, 2025, https://www.dot.ga.gov/InvestSmart/TransportationFundingAct/Documents/Forecast/TFAForecast.pdf
40. Coweta County Single County TSPLOST Program - Project List, accessed September 26, 2025, https://www.cowetatsplost.com/images/docs/CowetaTSPLOSTProjectListwoIGA.pdf
41. Newnan, Coweta County, Georgia Property Taxes - Ownwell, accessed September 26, 2025, https://www.ownwell.com/trends/georgia/coweta-county/newnan
42. Commercial Property Insurance Cost: Fast & Free Quotes | Insureon, accessed September 26, 2025, https://www.insureon.com/small-business-insurance/commercial-property/cost
43. What Does Commercial Property Insurance Cost? | The Hartford, accessed September 26, 2025, https://www.thehartford.com/commercial-property-insurance/cost
44. Georgia Commercial Property Insurance | Get A Quote in Georgia To Protect Your Business Property - The Allen Thomas Group, accessed September 26, 2025, https://allenthomasgroup.com/commercial-insurance/policies/commercial-property-insurance/georgia/
45. What Are Average CAM Costs Per Square Foot? - HelloData, accessed

September 26, 2025, https://www.hellodata.ai/help-articles/what-are-average-cam-costs-per-square-foot
46. Guide to CAM Charges in Commercial Real Estate: Understanding Costs and Management, accessed September 26, 2025, https://pointacquisitions.com/cam-charges-in-commercial-real-estate/