



OFFERING MEMORANDUM

# THE HEART GROUP

1138 N. ELM ST | HENDERSON, KY

THE  
HEART  
GROUP



**MATTHEWS**<sup>™</sup>  
REAL ESTATE INVESTMENT SERVICES





## EXCLUSIVELY LISTED BY

**KYLE MATTHEWS**

**BROKER OF RECORD**

kentucky@matthews.com  
DIR (310) 955-1773  
LIC # 77576 (KY)



# TABLE OF CONTENTS

**04** EXECUTIVE SUMMARY

**06** FINANCIAL OVERVIEW

**08** TENANT OVERVIEW

**12** AREA OVERVIEW





## EXECUTIVE SUMMARY

### INVESTMENT HIGHLIGHTS

#### LEASE

- Recently extended lease with just under 4 years remaining
- Two (2), Five (5) year options to extend with increases
- Attractive Lease Structure - Minimal landlord responsibility

#### MARKET HIGHLIGHTS

- Kentucky holds the 8th highest death rate from cardiovascular disease in the country
- Ideal location - Located in the heart of Henderson's medical corridor and just 0.2 miles from Methodist Hospital, the area's largest and most vital medical facility

#### TENANT

- Region's most dominant cardiological practice - The Heart Group is the largest cardiovascular practice in the Tri-State Region
- Incredibly sustainable concept in a prototypical location for a cardiovascular practice
- Kentucky is consistently in the nation's top 10 most at-risk states for heart-related medical conditions
- According to the American Heart Association, heart disease is the no. 2 cause for death in Kentucky







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## FINANCIAL OVERVIEW





## THE HEART GROUP

1138 N Elm Street  
Henderson, KY 42420

List Price ..... \$2,157,929  
CAP Rate - Current.....8.25%  
Gross Leasable Area ..... ±10,000 SF  
Lot Size ..... ±1.53 Acres

### Annualized Operating Data

	Monthly NOI	Annual NOI	NOI/SF	CAP Rate
Current - 6/1/2020	\$14,835.76	\$178,029.14	\$18.69	8.25%
Option 1	\$15,577.55	\$186,930.60	\$19.63	8.66%
Option 2	\$16,356.43	\$196,277.13	\$20.61	9.10%

### Tenant Summary

Tenant Trade Name	The Heart Group
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	10 Years
Lease Commencement Date	5/26/2010
Rent Commencement Date	5/27/2010
Lease Expiration Date	12/31/2020
Term Remaining on Lease	3.75 Years
Increases	Increases in Options
Options	Two (2), Five (5) Year Options





Henderson Dermatology

Methodist Hospital

SUBJECT PROPERTY

TENANT  
OVERVIEW





Company Name	The Heart Group, PC
No. of Locations (all)	13
Industry	Hospital & Health Care
Headquartered	Newburgh, IN
Website	<a href="http://www.heartgroup.com">www.heartgroup.com</a>
Year Founded	1972

## TENANT OVERVIEW

The mission of The Heart Group is to lead the way in delivering the highest quality cardiovascular care, but our reason for being here is to care for people. The patient, is top priority, and their well being-body, mind and soul-is the company’s greatest concern. It’s easy to see that, not only in the quality of our physicians, staff and facilities, but also in the way they treat you every day. The company strives to meet all cardio-health needs in an environment that makes the patient feel at home.

At the Heart Group, they hold the following core values to be essential tenets of their organization: Maintain the special nature of the patient-physician relationship, honesty and integrity. Unequivocal excellence in all aspects of the organization. Treat others as we would like to be treated.

Partnerships are an important concept at The Heart Hospital and are part of the mission in the provision of excellent patient care. The Heart Hospital is based on a fundamental organizational partnership between Deaconess Health System, the regional leader in hospital care and treatment of heart and vascular disease, and Heart Physicians LLC, the region’s largest group of physician providers in the diagnosis, treatment, prevention, research, and ongoing care of heart and vascular patients.



THE OFFERING

Property Name	The Heart Group
Property Address	1138 N Elm Street Henderson, KY 42420
Assessor's Parcel Number	0008299-1-15-1-1

Site Description	
Number of Stories	One
Gross Leasable Area (GLA)	± 10,000 SF
Lot Size	± 1.53 Acres (66,534 SF)
Type of Ownership	NN
Parking	± 50 Surface Spaces
Parking Ratio	5.99 : 1,000 SF

PARCEL MAP







N Green Street  
±27,000 ADT

SUBJECT PROPERTY

TENANT MAP



## AREA OVERVIEW



## HENDERSON DEMOGRAPHICS

POPULATION	1-Mile	3-Mile	5-Mile
2022 Projection	4,422	26,460	32,479
2017 Estimate	4,332	26,145	32,085
2011 Census	4,220	25,899	31,752
2001 Census	4,119	25,046	30,430
Growth 2017 - 2022	2.07%	1.20%	1.23%

HOUSEHOLDS	1-Mile	3-Mile	5-Mile
2022 Projection	2,151	11,339	13,639
2017 Estimate	2,090	11,161	13,435
Growth 2017 - 2022	2.91%	1.59%	1.53%
INCOME	1-Mile	3-Mile	5-Mile
2017 Est. Average Household Income	\$42,267	\$50,070	\$53,143



## HENDERSON, KENTUCKY

Henderson is a home rule-class city along the Ohio River in Henderson County in western Kentucky in the United States. The county has numerous industries, including aluminum production, automotive and appliance parts, plastic injection molding, tool and die making, food processing and processing of recycled materials. It also ranks as one of Kentucky’s top three corn and soybean producers in addition to being one of the state’s leading coal producers.

## 5-MILE DEMOGRAPHICS

### POPULATION



32,479

### MEDIAN HOUSEHOLD INCOME



\$53,070

### NUMBER OF HOUSEHOLDS



13,639

## CULTURE

Each year Henderson hosts a variety of events and festivals. The Henderson Breakfast Lions Club holds the Tri-Fest, a street festival that raises funds for non-profit organizations, in mid-April each year.

There is the free Handy Blues & Barbecue Festival in mid-June and the free Bluegrass in the Park Folklife Festival in August. Annual barbecues have been a Henderson tradition dating as far back as the one started on Sunday, July 18, 1926 in Atkinson Park by the Henderson Freight Station employees. Bluegrass in the Park Folklife Festival is one of the largest free Bluegrass festivals in the country. It is Henderson’s oldest on-going music festival and marked its 25th continuous year in 2010.

## TOP EMPLOYERS BY INDUSTRY

INDUSTRY	PERCENT
Manufacturing	23.3%
Services	21.9%
Trade, Transportation, Utilities	15.9%
Public Administration	4.1%
Construction	3.9%
Financial Activities	3.0%
Information	1.0%
Agriculture	0.5%





## CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **The Heart Group** located at **1138 N. Elm Street, Henderson, KY 42420 (“Property”)**. It has been prepared by Matthews Real Estate Investment Services. This 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 is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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.

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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