

# Aspen Dental

Significant Upside Opportunity



## OFFERING MEMORANDUM

*Representative Photo*

**AspenDental®**  
Marcus & Millichap

5101 N Belt Hwy, St Joseph, MO 64506

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The logo for AspenDental, featuring the word "AspenDental" in a blue, sans-serif font. The "A" is stylized with a mountain peak shape.

5101 N Belt Hwy – St Joseph, MO 64506

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**AspenDental®**





# Investment Highlights

PRICE: \$2,000,000 | CAP: 7.50% | NOI: \$150,000

AspenDental®

## About the Investment

- ✓ Absolute Triple Net (NNN) Lease | 9+ Years Remaining on the Initial Lease Term | 10% Rental Increases Every Five Years
- ✓ Corporate Tenant | Corporate Guarantee
- ✓ Additional 1,700 Square Foot Investment Opportunity Included in the Purchase | Modest Rent/SF Assigned to the Space
- ✓ Significant Upside Opportunity for Future Landlord

## About the Location

- ✓ Dense Retail Corridor | Walmart, Lowes, Walgreens, Target, T.J. Maxx, Kohls, Five Below, Home Depot, Bed Bath & Beyond, Dicks Sporting Goods, Aldi, Starbucks, Ulta, Best Buy, Buffalo Wild Wings, Chick Fil-a, Chipotle, and Chilis
- ✓ Robust Student Population | 20 Schools Within a Five-Mile Radius | Combined Enrollment Roughly 10,000 Students
- ✓ Strong Traffic Counts | North Belt Highway | Over 18,839 Vehicles Daily
- ✓ Compelling Location | Roughly 50 Miles From Kansas City

## About the Tenant / Brand

- ✓ Aspen Dental is Run By Aspen Dental Management: a dental support organization that provides business support and administrative services in the US to contracted dental practices using Aspen Dental Brand
- ✓ Aspen Dental Operates 550 Offices with a Presence in More Than 33 States Serving More Than 15,000 Patients
- ✓ Corporate Dentistry or corporate dental practices represent 30-40% of all dental practices.





# Financial Analysis

PRICE: \$2,000,000 | CAP: 7.50% | NOI: \$150,000



## Property Description

Property	Aspen Dental & Vacant Retail
Property Address	5101 North Belt Highway
City, State, ZIP	St. Joseph, MO 64506
Building Size	5,200 SF
Lot Size	+/- 1.51 Acres
Type of Ownership	Fee Simple

## Total Investment Opportunity

Purchase Price	\$2,000,000
CAP Rate	7.50%
Annual Rent	\$150,000
Building Size	5,200 SF
Price / SF	\$426.18
Rent / SF	\$28.85

## Vacant Retail Space Summary

Purchase Price	\$170,000
CAP Rate	10.00%
Pro-Forma Annual Rent	\$25,500
Pro-Forma NOI (\$5.00 / SF Expense Reserve)	\$17,000
Building Size	1,700 SF
Price / SF	\$100
Rent / SF	\$15.00

Glen Kunofsky and Judson Kauffman, Exclusive Listing Agents, are also Principals of this property. They are licensed real estate salespersons for Marcus and Millichap in the state of New York.

## Aspen Dental

Purchase Price	\$1,830,000
CAP Rate	7.27%
Annual Rent	\$133,000
Square Feet	3,500
Price / SF	\$585
Rent / SF	\$38.00

## Lease Summary

Property Type	Net-Lease Dental Facility
Tenant	Aspen Dental Management, Inc.
Original Lease Term	10 Years
Lease Commencement	March 3, 2018
Lease Expiration	November 30, 2028
Lease Term Remaining	9+ Years
Rental Increases	10% Every Five Years Beginning Year 6
Lease Type	Triple-Net (NNN)
Options to Renew	Three (3), Five (5)-Year

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a two-tenant retail property located at 5101 North Belt Highway in Saint Joseph, Missouri. The subject property consists of 5,200 square feet of building space and sits on a 1.51-acre lot.

Aspen Dental is one of the tenants in the building and occupies 3,500 square feet of the total building space. The Aspen Dental space is subject to a ten-year triple-net (NNN) lease with more than nine years remaining.

The property also features 1,700 square feet of vacant retail space, which has been assigned a pro-forma rent of \$25,500. This modest and under-market \$15.00/square foot in rent provides a future landlord with significant upside upon securing a tenant for the space.



# Tenant Overview

AspenDental®

## About Aspen Dental

Headquartered in East Syracuse, New York, Aspen Dental is a corporate dental practice. By 2016 Aspen Dental Offered Services in 33 States with 550 franchised dental facilities that serve over 15,000 patients today. In the United States corporate dentistry represents 30-40% of all dental practices. Aspen's services are aimed at individuals who do not have an established dental routine or regular dental provider. Aspen Dental is owned by Leonard Green & Partners, a private equity firm.

With almost 550 Aspen Dental practices across 33 states, every practice is supported by Aspen Dental Management, Inc. (ADMI), a dental support organization that provides non-clinical business support services to licensed, independent dentists. ADMI provides a full range of practice support services from marketing, scheduling, billing, payroll, IT, and other business related tasks. This model allows dentists with Aspen Dental to have the freedom to focus on their patients and provide high-quality dental care, while enjoying a secure income, a healthy work-life balance, and a clear path to practice ownership.

Aspen Dental Services Include:

- \*Dental and denture services for short- and long- term oral health needs in the United States
- \*Comprehensive exams, cleanings, extractions, fillings, periodontal treatment, whitening, crown and bridge work, preventive care, general dentistry, and restoration.
- \*Oral surgery and cosmetic dentistry





# Surrounding Area

AspenDental®





# Location Overview

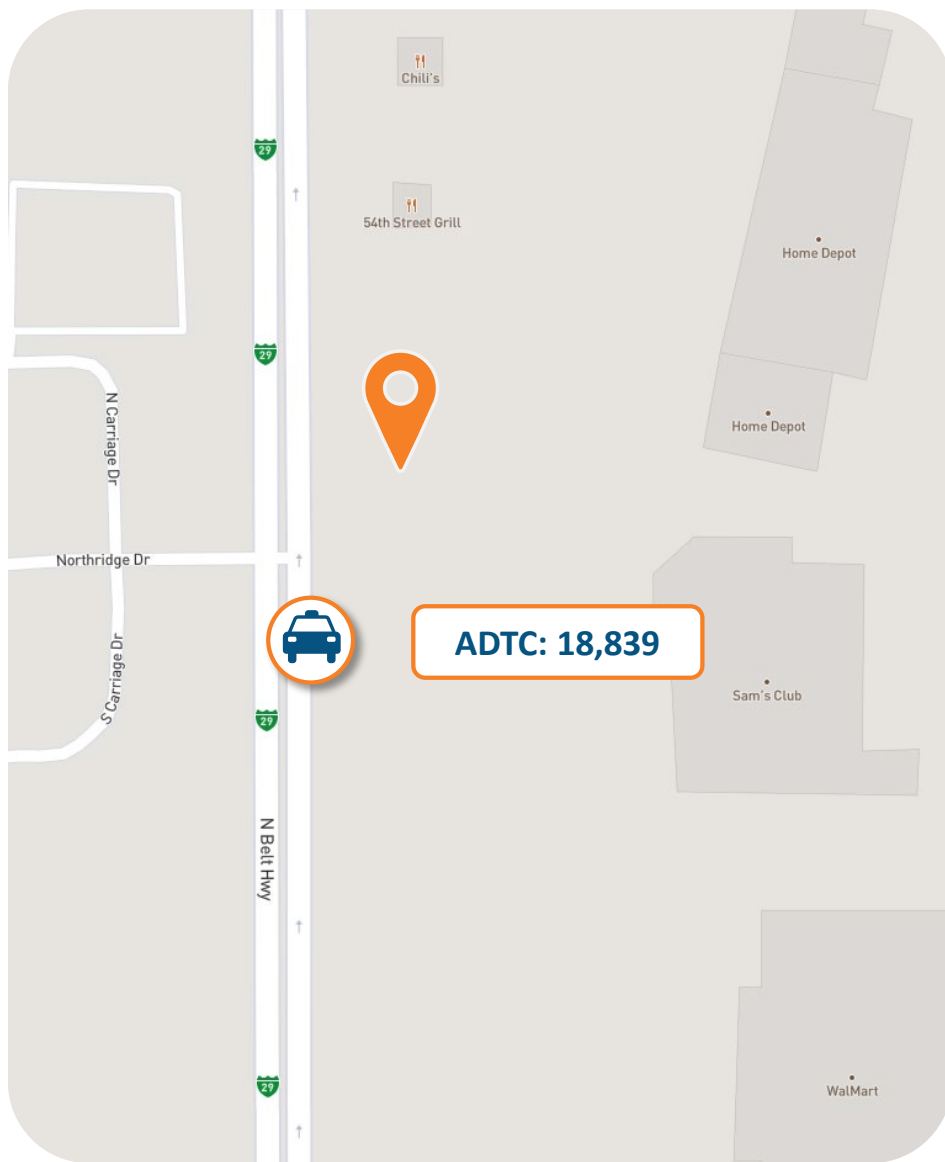
Property Address: 5101 N Belt Hwy, St Joseph, MO 64506

AspenDental®

The subject investment property is situated on North Belt Highway, which boasts daily traffic counts exceeding 18,839. There are more than 67,089 individuals residing within a five-mile radius of the subject property and more than 99,478 individuals residing within a ten-mile radius.

The subject property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, and universities all within close proximity of this property. Major national tenants include: Walmart, Lowes, Sam's Club, Target, Home Depot, T.J. Maxx, Five Below, Dicks Sporting Goods, Aldi, Walgreens, Petco, Pet Smart, Ulta, Best Buy, Kohls, Chick fil-a, Chipotle, Starbucks, Olive Garden, Ihop, Hardees, Culver, as well as many others. Within a five-mile radius of this Aspen Dental property are 20 local schools: 10 elementary schools, four middle schools, three high schools and three private schools with a total combined enrollment of 10,000 students. Located less than 6 miles away from the subject property is Missouri Western State University with more than 5,145 students enrolled.

St. Joseph is a city in and the county seat of Buchanan County, Missouri, located on the Missouri River. With a total population of more than 76,780, St. Joseph is the eighth largest city in the state, and the third largest city in the Northwest Missouri. Located 50 miles from St. Joseph is the bustling city of Kansas City, Missouri. Kansas City is the largest city in the state of Missouri with an estimated population of 488,943. The city is composed of several neighborhoods, including the River Market District in the north, the 18<sup>th</sup> and Vine District in the east, and the Country Club Plaza in the south. Kansas city is known for its long tradition of jazz music, culture, and cuisine. The Federal Government is the largest employer in the Kansas City metro area. More than 146 federal agencies maintain a presence there. Kansas city is one of ten regional office cities for the US government. Located here is the Kansas City plant, which is the National Nuclear Security Administration facility operated by Honeywell. Honeywell produces and assembles 85% of the non-nuclear components of the United States nuclear bomb arsenal. Ford Motor Company operates a large manufacturing facility in Claycomo at the Ford Kansas City Assembly plant, which builds the Ford F-150.

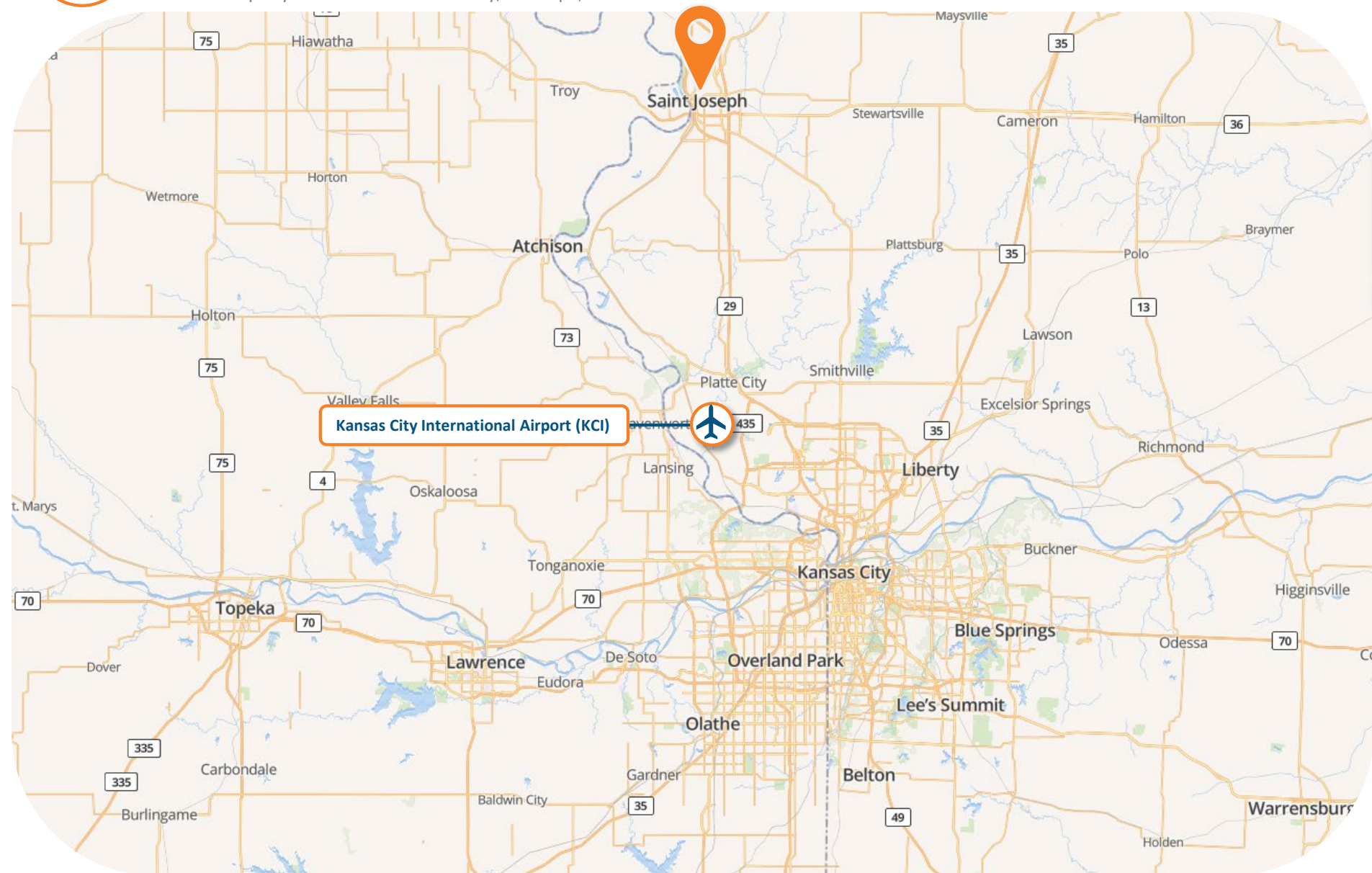




# Local Map

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Property Address: 5101 N Belt Hwy, St Joseph, MO 64506

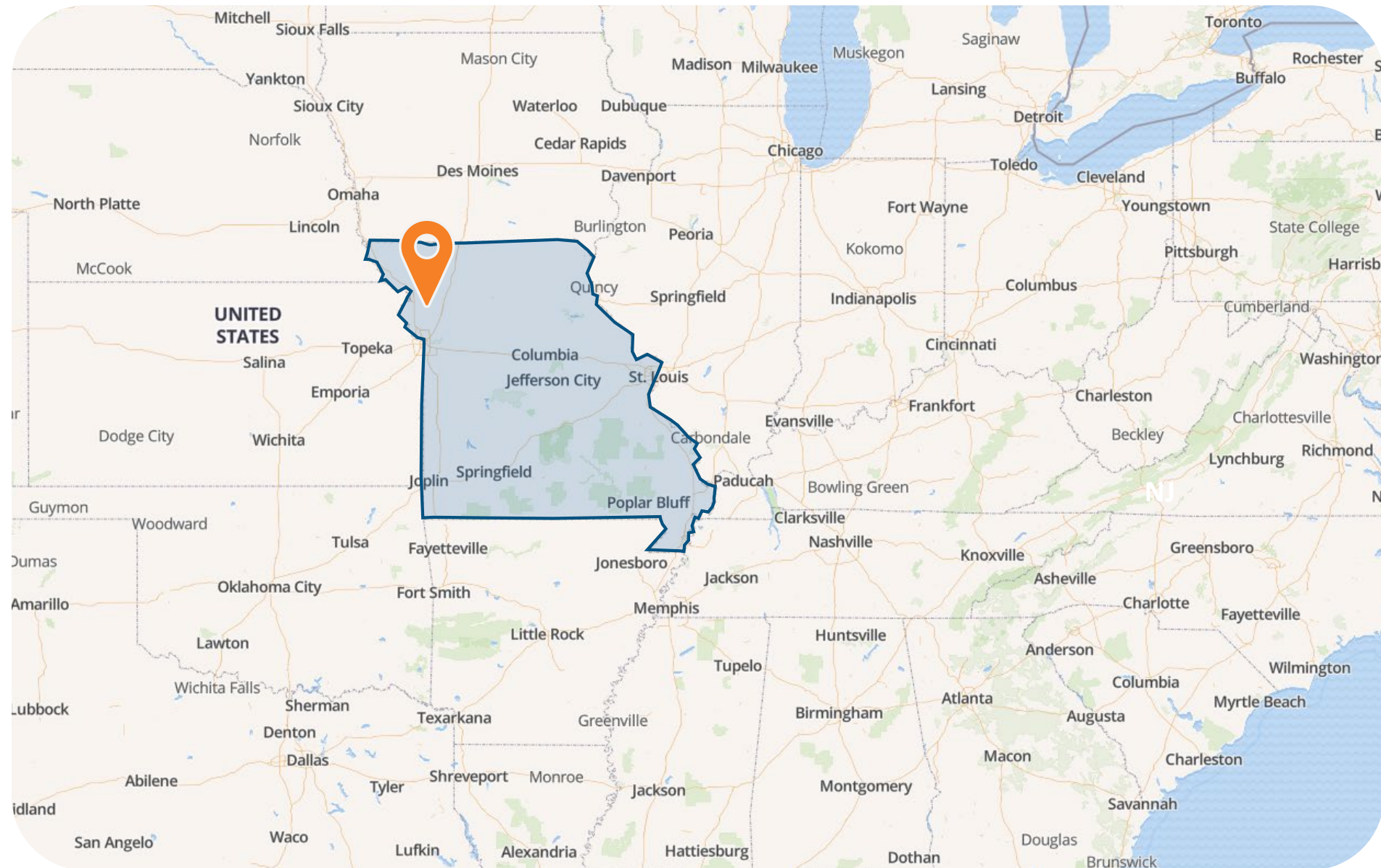




# Regional Map

Property Address: 5101 N Belt Hwy, St Joseph, MO 64506

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# Demographics

Property Address: 5101 N Belt Hwy, St Joseph, MO 64506

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3 Miles 5 Miles 10 Miles

## POPULATION

2022 Projection	34,825	67,822	100,924
2017 Estimate	34,146	67,089	99,478
2010 Census	33,912	66,375	98,441
2000 Census	31,796	64,127	94,755

## INCOME

Average	\$74,281	\$63,486	\$62,023
Median	\$56,870	\$49,270	\$49,276
Per Capita	\$29,338	\$25,131	\$24,443

## HOUSEHOLDS

2022 Projection	13,457	26,243	39,178
2017 Estimate	13,110	25,725	38,287
2010 Census	13,102	25,616	38,134
2000 Census	12,142	25,008	36,891

## HOUSING

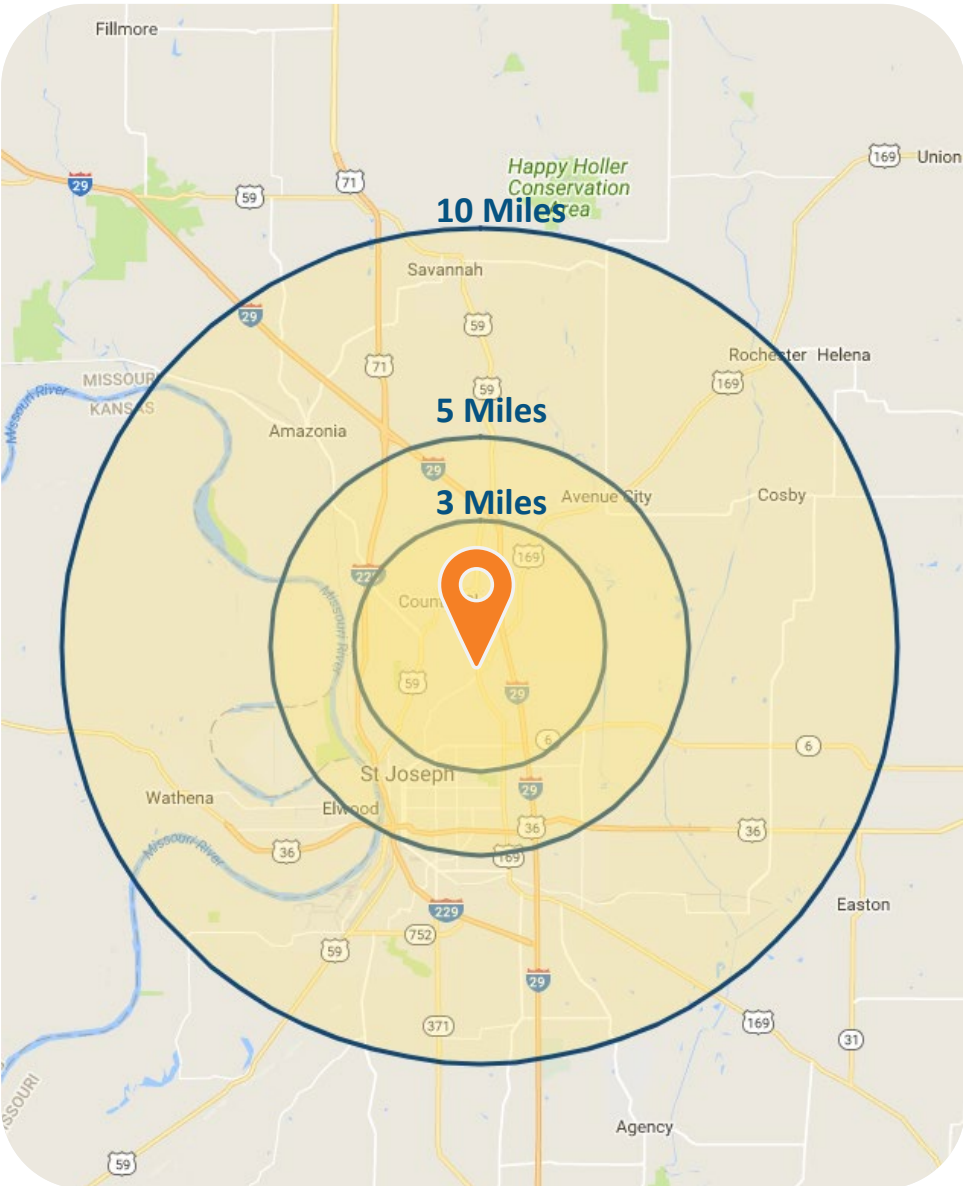
2017	\$146,858	\$112,394	\$108,964
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## EMPLOYMENT

2017 Daytime Population	36,493	82,553	113,257
2017 Unemployment	3.01%	4.41%	4.19%
2017 Median Time Traveled	19 Mins	18 Mins	19 Mins

## RACE & ETHNICITY

White	86.94%	84.61%	87.30%
Native American	0.18%	0.36%	0.28%
African American	6.30%	7.54%	5.80%
Asian/Pacific Islander	2.07%	1.52%	1.21%





# Market Overview

City: St Joseph | County: Buchanan | State: Missouri

*Kansas City, Missouri*



## St Joseph

is a city located just 50 miles outside of Kansas City, Missouri.

Kansas City, Missouri, lies on the western edge of Missouri. Among the 100 largest cities in the United States, it is the most centrally located in the lower 48 states. This central location makes it very competitive for employment involving transportation, communication and distribution. Kansas City covers 319 square miles and is home to approximately 464,000 residents, making it the largest city in Missouri, both in area and in population. Its area is the 11th largest among United States cities that are not consolidated with counties. Its population is the 37th largest in the United States. The city lies within parts of four counties; Cass, Clay, Jackson, Platte and 15 public school districts. It is at the center of a 15-county metropolitan area with approximately 2,065,000 residents.

Kansas City is a regional headquarters of the Federal Reserve Bank and contains the headquarters for Hallmark Cards, DST, Russell Stover Candies, Kansas City Southern Railway, H&R Block, Boulevard Brewing, and American Century Investments. Infogroup 2012 data show that the sectors employing the most people in Kansas City were restaurants and other eating places (17,164); elementary and secondary schools (11,816); offices of physicians (10,877); legal services (9,593); accounting and bookkeeping services (9,410); justice, public order, and safety activities (7,031); insurance agencies, brokerages, and related (6,760); general medical and surgical hospitals (6,714); management and technical consulting services (6,640); and executive, legislative, and other general government support (6,129). The main office and retail corridor extends six miles from the Downtown to the Country Club Plaza, which was developed in the 1920's as the nation's oldest automobile oriented shopping area. Other major commercial corridors lie along Barry Road/Highway 152, along I-29 and along the southern end of Ward Parkway. Industrial activity is most concentrated near the Missouri, Blue and Kansas Rivers, near the Kansas City Terminal Railway, and near Kansas City International Airport and the former Richards Gebaur Air Base.

## Major Employers

Employer	Estimated # of Employees
Heartland Health	14,449
Mosaic Life Care	4,001
Pizza Ranch	3,689
Triumph Foods	2,800
Wathena Hlthcare Rhlbtion Ctr	1,841
Heartland Cntre For Rhlbtation	1,605
Missouri Western State Univ	1,300
National Beef Leathers LLC	1,113
Boehrnger Ingelheim Vtmdica Inc	973
Myr Group Inc	752
Western Recep Diagnostic and	750

# AspenDental®

## Marcus & Millichap

### EXCLUSIVE NET LEASE OFFERING

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