



**Lenoir Veterinary
Hospital**

"Caring for your family pets as if they were our own"

2309 LAKESIDE TERRACE CIR SE | LENOIR, NC 28645

2 YEARS
TERM REMAINING

NNN
LEASE

8.59%
CAP RATE

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REAL ESTATE INVESTMENT SERVICES

EXECUTIVE OVERVIEW

SECTION
01



PROPERTY HIGHLIGHTS

- **Investment in Location** - Veterinary Clinics rarely relocate due to investment in property, high moving costs, and difficulty retaining the same patients at a new location
- **E-commerce & Recession Proof Industry** – Veterinary properties are extremely sought-after investments for their resistance to downturns in the economy and e-commerce trends that affect traditional retail properties
- **Minimal Landlord Responsibilities** – This investment offers a potential investor a very passive “hands-off” investment
- **Rental Increases Built in to Hedge Inflation** – Rental increases are built into the lease which will provide a landlord with a stabilized growth schedule to fight inflation
- **Strong Performance History** – National Veterinary Associates (NVA) acquired the practice in 2011 because of the site’s strong, successful performance



LIST PRICE

\$1,524,706



YEAR 1 NOI

\$130,905



CAP RATE

8.59%



GROSS LEASABLE AREA

±9,004 SF



LEASE TERM REMAINING

2 YEARS

LOCATION HIGHLIGHTS

- **Easy Access to Surrounding Markets** – The Lenoir Veterinary Hospital is located just off of Hickory Road which is a main thoroughfare that runs through the City of Lenoir and sees 21,000 VPD
- **Operating History** – Over 30 years of operating history, proving the strong performance in this location
- **North Carolina Growth** – Since 2010, North Carolina's population growth has outperformed the nation, having grown 8.5% compared to the nation's 5.8%

TENANT HIGHLIGHTS

- **Robust Industry Growth** – The global veterinary services market size is expected to reach \$142 Billion by 2025, with a CAGR of 5.6% during that period. Consumers spent over \$72 Billion on their pets in 2018 and that number is expected to grow to \$75 Billion in 2019
- **Private Equity Backing** – National Veterinary Associates is backed by Ares Management (ARES), which provides significant capital to expedite their expansion and acquisition of new clinics
- **Lease secured by one of the largest Veterinary operators** – National Veterinary Associates (NVA) is one of the largest operators of freestanding veterinary hospitals in the United States and operates over 600 practices nationally
- **Expanding Operations** – National Veterinary Associates grow their number of locations by acquiring the practices of existing and successful veterinary clinics that are established within their community. This allows them to quickly grow their footprint across new markets and states





CALDWELL COUNTY
FAIRGROUNDS

HICKORY BLVD
± 21,000 VPD

**SUBJECT
PROPERTY**



FINANCIAL OVERVIEW

SECTION
02



INVESTMENT SUMMARY

List Price	\$1,524,706
NOI	\$130,905
CAP Rate	8.59%
Price/SF	\$169.34
GLA	±9,004 SF
Lot Size	2.99 Acres (130,088 SF)
Year Built	1968
Number of Stories	Two
Landscaping	Professional
Topography	Generally Level

TENANT SUMMARY

Tenant Name	NVA
Type of Ownership	Fee Simple
Lease Type	NNN (Roof/Structure)
Original Lease Term	5 Years
Lease Commencement Date	6/10/16
Lease Expiration Date	6/10/21
Term Remaining	2 Years
Increases	CPI Annual
Options	One (1) Five (5) Year Options
Roof & Structure	Landlord Responsibility

ANNUALIZED OPERATING DATA

	MONTHLY RENT	ANNUAL RENT	CAP RATE
6/10/2019 - 6/10/2020	\$10,800.00	\$130,905.00	8.59%
6/10/2020 - 6/10/2021	CPI Annual	CPI Annual	
6/10/2021 - 6/10/2022	CPI Annual	CPI Annual	
6/10/2022 - 6/10/2023	CPI Annual	CPI Annual	
6/10/2023 - 6/10/2024	CPI Annual	CPI Annual	
6/10/2024 - 6/10/2025	CPI Annual	CPI Annual	
6/10/2025 - 6/10/2026	CPI Annual	CPI Annual	



TENANT OVERVIEW

SECTION
03





YEAR FOUNDED

1996

HEADQUARTERS

AGOURA HILLS, CA

PARENT ORGANIZATION

NVA HOLDINGS

NUMBER OF LOCATIONS

670+

NATIONAL VETERINARY ASSOCIATES (NVA)

National Veterinary Associates is one of the largest animal hospital chains. Early in 2019, it announced it will be getting a new owner. Ares Management Corp. and partner OMERS Private Equity agreed to sell majority control of the 670-hospital network to another group, JAB Investors. Earlier in 2019, JAB Investors bought its way into the veterinary industry with the \$1.2 billion purchase of Compassion-First Pet Hospitals, which at the time operated 41 specialty, emergency and general practices and today has 42. The senior management team at National Veterinary Associates is to stay with the Agoura Hills, California, company and retain minority ownership. The NVA portfolio includes more than 670 general, specialty and emergency practices and 70 pet resorts in the United States, Canada, Australia and New Zealand.

The company started with buying hospitals from retiring veterinarians. NVA believes that veterinary medicine is best practiced when local veterinarians craft their own approach, so when a hospital joined NVA, it kept the culture, people and name intact.

NVA offered expert support for tasks like accounting, recruiting, legal, marketing and operations. And it fosters a doctor friendly environment, enabling new veterinarians to focus on what they love. It created a community people were proud to be part of – and it credits that for the growth it is experiencing today.

AREA OVERVIEW

SECTION
04

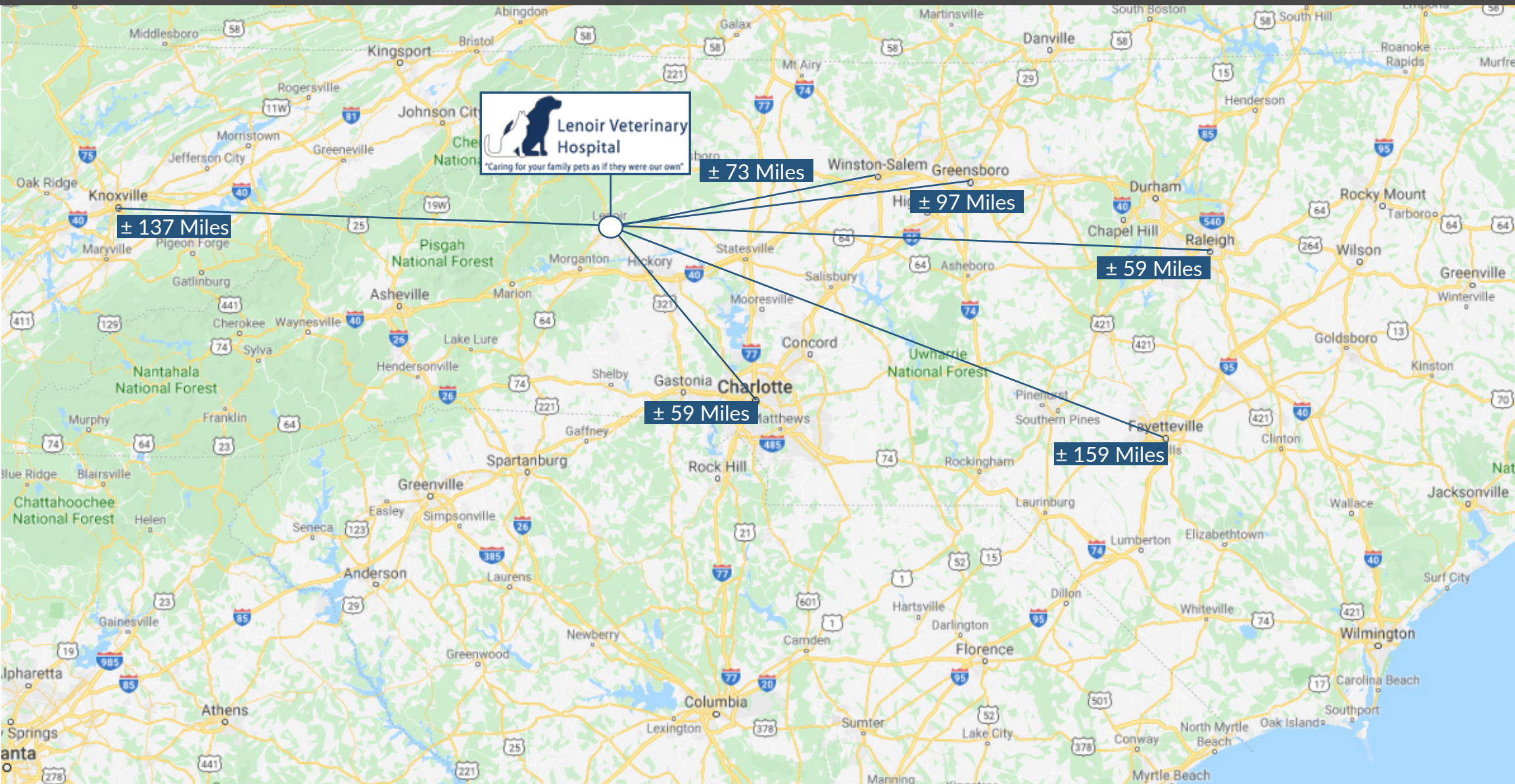
DEMOGRAPHICS

POPULATION	3 - MILE	5 - MILE	10 - MILE
2024 Projection	16,992	31,068	74,329
2019 Estimate	16,728	30,640	73,262
HOUSEHOLDS	3 - MILE	5 - MILE	10 - MILE
2024 Projection	7,383	12,945	30,236
2019 Estimate	7,217	12,704	29,716
INCOME	3 - MILE	5 - MILE	10 - MILE
2018 Est. Average Household Income	\$49,305	\$49,235	\$51,010

LENOIR, NC

Located in Caldwell County, Lenoir is located in the foothills of the Blue Ridge Mountains. Named an “All-American City” in 2008, the city is recognized for their community that leverages civic engagement, collaboration, inclusiveness, and innovation when making decisions that directly effect Lenoir.

The downtown area has recently undergone a complete makeover which has helped the city see the job market increase by 1.6% over the last year and is expecting future job growth over the next ten years to be 37.5%, which is higher than the US average of 33.5%.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Lenoir Veterinary Hospital (NVA)** located in **2309 Lakeside Terrace Cir SE, Lenoir, NC 28645** ("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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