

AspenDental®

Secure Credit Tenant • Focal Location on Dominant Retail Corridor



ACTUAL PROPERTY

In Association with Parasell, Inc | A Licensed Texas Broker #9009637

OFFERING MEMORANDUM
VICTORIA, TEXAS



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OFFERING MEMORANDUM
VICTORIA, TEXAS

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LOCATION

Aspen Dental
7506 N. Navarro Street
Victoria, TX 77904



OFFERING SUMMARY

Price:	\$3,146,000
Current Net Operating Income (NOI): (3)	\$185,625
Current Capitalization Rate:	5.90%
Net Rentable Area:	3,750
Year Built:	2017
Lot Size (Acres):	0.52

LEASE TERMS (1)

Lease Commencement:	3/23/2017
Lease Expiration:	3/31/2027
Lease Type: (2)	NN
Annual Rent: (3)	\$185,625
Rental Increases:	10% Every 5 Years
Renewal Options:	Three 5-Year @ 10% Increases

- (1) All lease provisions to be independently verified by Buyer during the Due Diligence Period.
- (2) Landlord responsible for roof & structure only. Tenant responsible for taxes, insurance, and all other maintenance.
- (3) NOI based on Year 1 rent as of March 2022. Seller to credit Buyer rental difference through Escrow.



ACTUAL PROPERTY

AspenDental® | QUICK FACTS

800+

LOCATIONS
In 42 States

5M

DENTAL APPOINTMENTS
Annually

#1

LARGEST BRANDED NETWORK OF DENTAL PRACTICES
Serving 1.8M Patients Annually



INVESTMENT HIGHLIGHTS

ASPEN DENTAL



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- **Strong Investment Fundamentals**

- **Secure Tenancy** - Aspen Dental operates more than 800 locations in 42 states
- **Capital Commitment** - Dentistry requires massive tenant improvements and investment, offering ownership significant long-term stability compared to other retail uses
- **Needs Based Service** - Dental industry is internet and pandemic resistant
- **Prime, High-Identity Location** - Property is prominently positioned on Highway 77
- **Recent High Quality Construction** - Built in 2017

- **High Identity Location**

- Prominent frontage on Highway 77 with traffic counts over 23,000 per day
- Located at the entrance to Victoria Mall and anchored by Dillard's, Sears, Best Buy, and others
- Surrounding tenancy includes Target, Home Depot, Lowe's, McDonald's, and many other national credit tenants
- Strong demographics with approximately 150,000 people living within 5 miles of the asset



 **Frost**
COMING SOON



INVESTMENT HIGHLIGHTS

ASPEN DENTAL



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- **Low Management**

- Single-tenant property requires minimal oversight
- NN lease allows for passive ownership

- **Ideal 1031 Replacement**

- Fee ownership includes land and building, allowing investors to depreciate the improvements and increase after tax cash-flow
- Offered free and clear of existing debt
- Available for quick close to accommodate 1031 exchange timelines



The information contained herein has been obtained from sources we deem reliable. We cannot assume responsibility for its accuracy.



ACTUAL PROPERTY



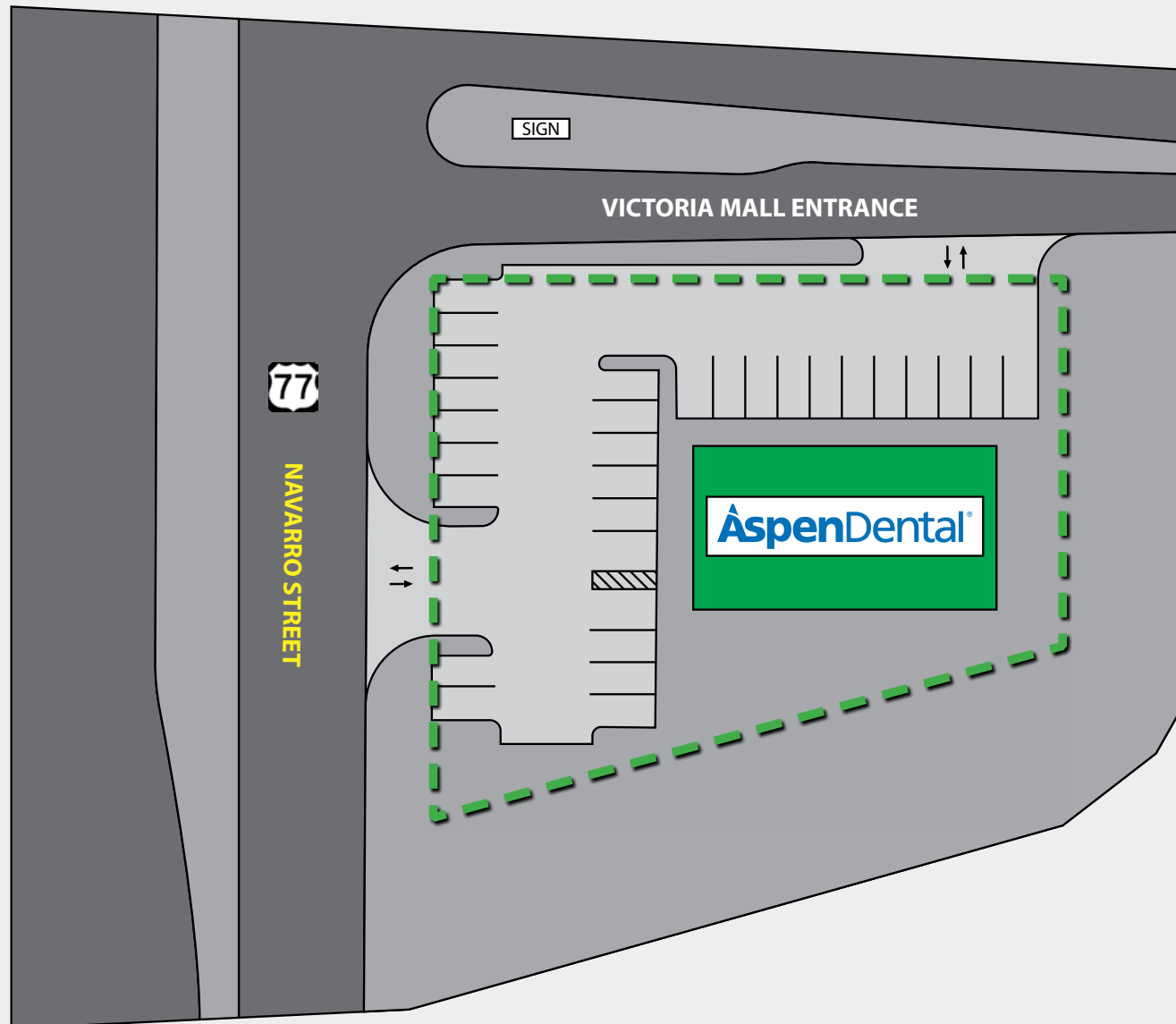
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SITE PLAN / PARCEL MAP

ASPEN DENTAL



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 **SUBJECT PROPERTY**

 **PROPERTY PARCEL**

APN: 37310-00C-00500



LOT SIZE
0.52 ACRES



NET RENTABLE AREA
3,750 SF



PARKING
30 SPACES



ACCESS
2 POINTS OF ACCESS



YEAR BUILT
2016



TRAFFIC COUNTS
23,000 CPD

N

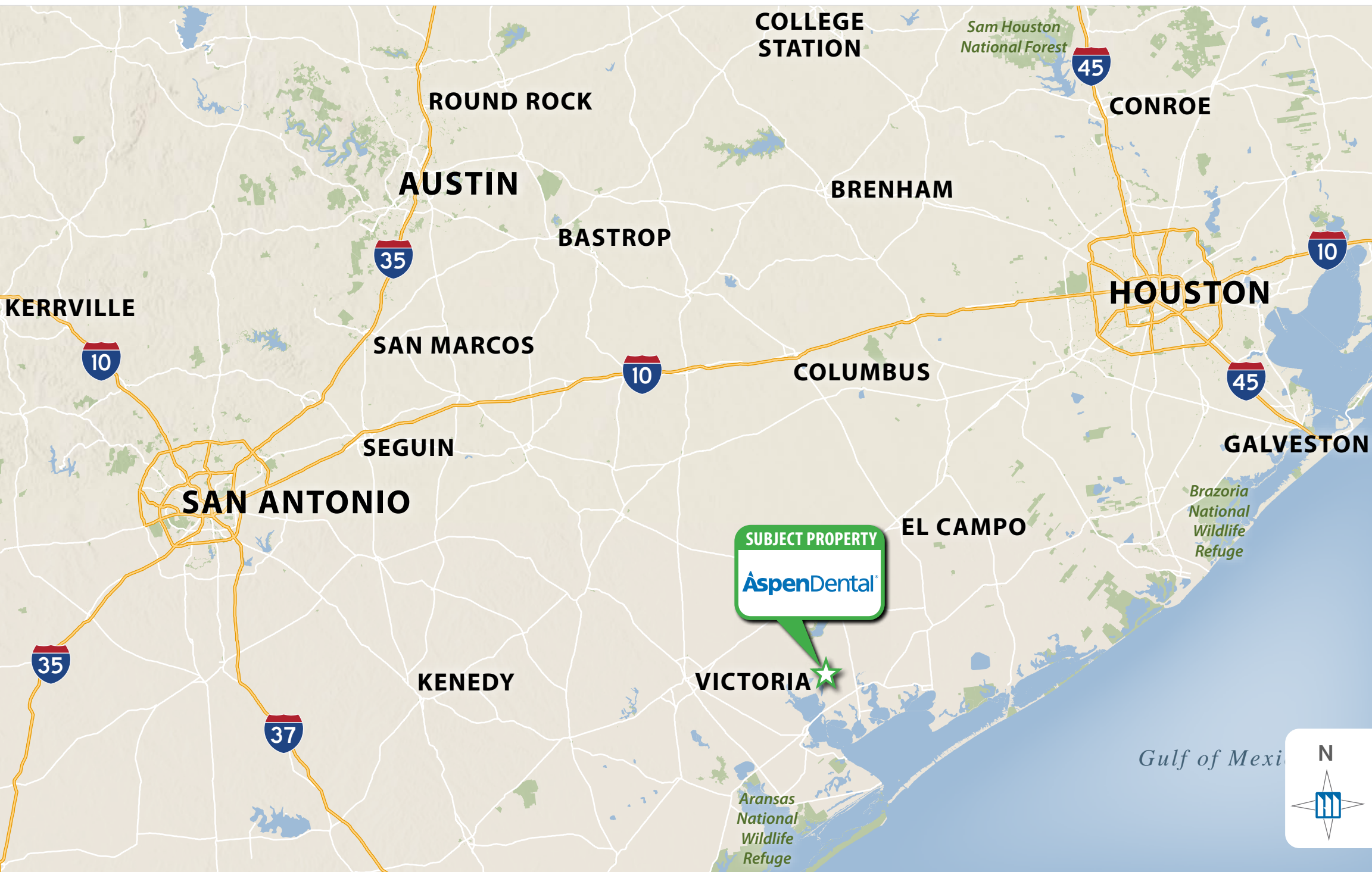




SUBJECT PROPERTY
AspenDental

DEMOGRAPHICS

	Population	AHHI
1-Mile Radius	34,713	\$87,175
3-Mile Radius	60,567	\$78,442
5-Mile Radius	79,536	\$76,727





AspenDental®

Aspen Dental, the largest and fastest-growing branded network of dental offices in the country, is committed to providing accessible, affordable, and comprehensive dental care.

Aspen Dental-branded practices provide a wide range of general dentistry and denture-related services and offer patient-friendly programs and services. Each location offers on-site labs, is open extended hours to accommodate walk-in patients and emergency care, provides a free or low-cost exam and X-rays for new patients without dental insurance, works with all insurance plans, and offers flexible financing and Denture Money Back Guarantee.

The company follows a patient-driven retail model that features visible locations in highly trafficked retail centers. Aspen Dental Management Inc. (ADMI), Aspen Dental's integrated business support service, provides non-clinical business and administrative services to Aspen Dental-branded practices. This allows clinicians to spend more time caring for their patients and less time on the administrative and financial aspects of running a successful dental practice.

What began at a dental lab called Upstate Dental in Syracuse, New York, in 1964 has grown to an operation serving 25,000 dental patients daily across more than 800 locations in 42 states. Between 75 and 100 new locations are opened annually, and the company is expected to reach 1,000 locations by 2021. Today, Aspen Dental is headquartered in DeWitt, New York.

TOP HONORS

- **#1 Largest Branded Network of Dental Practices in the U.S.**
- **5 Million Dental Appointments Annually**

Company Type:	Private
Locations:	800+
Website:	www.aspendental.com



Victoria, TX Named One of the Most Recession-Proof Cities in the U.S.

No state can survive a recession quite like the Lonestar State. During the Great Recession, Texas steadied itself thanks to stable real estate prices and an extremely diverse mix of industries to keep the jobs flowing. And no Texas city is more recession-resilient than Victoria, a hub of the state's energy sector. Located between Houston and Corpus Christi, the city is home to a huge Caterpillar excavator plant, Formosa Plastics Corp., polymer and fiber producer INVISTA, DuPont and many others that are constantly expanding and hiring.

Of course, Victoria is also just a great place to live. It's an extremely charming small town just 40 miles from the Gulf Coast. A small city of just over 60,000 residents, you'll find no shortage of fun things to do here, from outdoor recreation to attractions like The Texas Zoo and the Victoria Ballet Theatre.



[CLICK FOR ARTICLE](#)



Aspen Dental Celebrates Major Milestone With Opening of 800th Office

December 19, 2019

Aspen Dental, the largest and fastest-growing branded network of dental offices in the country, is closing out the decade by celebrating a significant milestone: the opening of the 800th Aspen Dental location in Southern Pines, NC. The achievement comes as nine new Aspen Dental offices prepare to open their doors across seven states: Fayetteville, Georgia; Kansas City and Lawrence, Kansas; Canton, Michigan; Royal Oak, Michigan; Kansas City, Missouri; Lincoln, Nebraska; Southern Pines, North Carolina and Mechanicsville, Virginia.

"A new Aspen Dental office opens every four days, which is a direct reflection of the shared commitment between ADML and the doctors whose practices we support to help patients get the care they need," said Bob Fontana, chairman and CEO of Aspen Dental Management, Inc.



[CLICK FOR ARTICLE](#)

Victoria, Texas

- An agricultural and industrial city in the middle of a triangle formed by Houston, San Antonio, and Corpus Christi
 - Located on the coastal plain of southeast Texas, 30 miles from the Gulf of Mexico
- Regional retail and medical hub for the 7-county area known as the "Golden Crescent" which is home to 250,000+ people
- 66,347 population in the city; 99,555 population in the metro area

ECONOMY

- #163 "Best Small Places for Business & Careers" - Forbes (2019)
- The local economy is dominated by healthcare and social assistance (16%), retail trade (13.8%), and manufacturing (10.2%)
 - Notable manufacturers include DuPont Packaging and Industrial Polymers and Caterpillar-NAHEX
 - ◆ Caterpillar selected a 320-acre site in Victoria for its \$200 Million North American hydraulic excavator facility
- Home to the largest medical community in the Golden Crescent region with 5 hospitals offering 720 total beds
 - **Citizens Medical Center** - A 344-bed community-owned acute care hospital that is the largest health care provider in the region; employs 1,000+ people with 240 physicians
 - **DeTar Healthcare System** - A 304-bed acute care system that includes 2 local hospitals; employs 900+ people with more than 330 doctors and healthcare professionals
- The area's agricultural roots continue to play an important economic role; the average annual county farm income is \$35-\$55 million, derived mostly from beef cattle, cotton, soybeans, corn, rice, and sorghum
- 31,600 people are employed by the city's economy; 185,000 labor force exists within a 55-mile radius
- \$74,512 average household income; the cost of living is 14.6% lower than the U.S. average
 - High incomes with low cost of living give a strong buying power to residents
- The city's largest employers include Victoria Independent School District (2,005 employees), Citizens Medical Center (1,059 employees), DeTar Healthcare System (900 employees), City of Victoria (628 employees), Regency Integrated Health Services (609 employees), INVISTA (600 employees), and Caterpillar-NAHEX Victoria (575 employees)



100K

POPULATION IN
THE METRO AREA



MEDICAL & RETAIL HUB
OF 7-COUNTY AREA



MANUFACTURING IS THE
3RD LARGEST SECTOR

\$74.5K

AVERAGE HOUSEHOLD
INCOME IN THE CITY



DEVELOPMENTS

- **Sewer Line Project** - A recently approved project that will open 140 acres for future development in Victoria
- **Springwood Medical Plaza** - A plaza that will consist of 4 stand-alone medical buildings on 12 acres totaling between 90,000 and 120,000 square feet and 300+ parking spaces; the first 45,000 square foot building is under construction and will house a newly expanded outpatient surgery center, an outpatient physical therapy and rehabilitation center, specialty medical offices, and other medical retail facilities

TRANSPORTATION

- Known as the South Texas Crossroads because of its central location within a 2-hour drive of Corpus Christi, Houston, San Antonio, and Austin; located at the intersection of 3 major highways (U.S. 59, U.S. 77, and U.S. 87)
 - Will be located at the connection of multiple segments of the future I-69
- Local access to major large and small freight carriers, Victoria Regional Airport, railway terminals, the shallow draft Port of Victoria, and the deepwater Port Lavaca-Point Comfort
- Bus service is offered on 4 fixed routes consisting of 70 stops

TOURISM

- Residents and visitors alike enjoy the local, regional, and national merchants; an acclaimed symphony; a community theater; a regional ballet company; and abundant recreational activities including hunting, fishing, and water sports
 - **Theatre Victoria** - Hosts 6 locally produced plays each year drawing 15,000 theatre enthusiasts
 - **Riverside Park** - A 562-acre park with a golf course, 15 baseball fields, hiking trails, paddling trails on the Guadalupe River, and the Texas Zoo which houses 200 species of animals and plants indigenous to Texas

EDUCATION

- **Victoria College** - A 2-year community college offering associate's degrees, trade training, and workforce certifications to its 4,145 students; recently finished a \$22 million Emerging Technology Complex on campus
- **University of Houston-Victoria** - A public university that is part of the University of Houston system; 4,500 enrollment



SPRINGWOOD MEDICAL PLAZA



THEATRE VICTORIA



TEXAS ZOO AT RIVERSIDE PARK

140 ACRES

OPEN FOR DEVELOPMENT
WITH NEW SEWER LINE



WITHIN A 2-HR DRIVE
OF 4 MAIN TEXAS CITIES



120K SF MEDICAL
CENTER BY 2025

\$22M

NEW TECH COMPLEX
AT VICTORIA COLLEGE



	<u>3-Mile</u>	<u>5-Mile</u>	<u>10-Mile</u>
Population			
2024 Projection	35,396	61,889	81,830
2019 Estimate	34,713	60,567	79,536
2010 Census	33,406	57,793	75,185
2000 Census	31,043	55,357	72,630
Growth 2000-2010	7.61%	4.40%	3.52%
Growth 2010-2019	3.91%	4.80%	5.79%
Growth 2019-2024	1.97%	2.18%	2.88%
Households			
2024 Projection	13,963	24,047	31,043
2019 Estimate	13,618	23,366	29,966
2010 Census	12,960	22,070	28,042
2000 Census	11,753	20,618	26,249
Growth 2000-2010	10.27%	7.04%	6.83%
Growth 2010-2019	5.08%	5.87%	6.86%
Growth 2019-2024	2.53%	2.91%	3.59%
2019 Est. Population by Single-Classification Race			
White Alone	27,295	46,431	61,267
Black or African American Alone	2,097	4,100	5,377
American Indian and Alaska Native Alone	215	400	549
Asian Alone	847	1,163	1,217
Native Hawaiian and Other Pacific Islander Alone	7	12	16
Some Other Race Alone	3,100	6,559	8,789
Two or More Races	1,109	1,820	2,195
2019 Est. Population by Ethnicity (Hispanic or Latino)			
Hispanic or Latino	13,658	28,273	38,116
Not Hispanic or Latino	21,055	32,294	41,420
2019 Est. Average Household Income	\$87,175	\$78,442	\$76,727

CONFIDENTIALITY AGREEMENT

ASPEN DENTAL



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\$6.6 BILLION

retail sales nationwide



SHARED DATABASE

collaborative proprietary database



GLOBEST. INFLUENCERS

in retail & net lease sales



COSTAR POWER BROKER

top sales brokers & firm in OC



NATIONWIDE REACH

retail & investors across the U.S.