



OFFERING MEMORANDUM



XPRESS WELLNESS URGENT CARE
ANDOVER, KS (WICHITA MSA)

Marcus & Millichap
THE SULO GROUP



Subject Property



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XPRESS WELLNESS URGENT CARE

231 South Andover Road
Andover, KS 67002

FINANCIAL SUMMARY

Price	\$1,497,000
Cap Rate	7.00%
Net Operating Income	\$104,782
Building Sq Ft	4,275 Sq Ft
Year Built	2016
Lot Size	+/- 1.18 Acres

LEASE SUMMARY

Lease Type	Double Net
Tenant	Xpress Wellness, LLC
Guarantor	Corporate
Roof and Structure	Landlord Responsible
Primary Term	16 Year
Lease Commencement Date	7/15/2016
Rent Commencement Date	7/15/2016
Lease Expiration Date	11/30/2032
Term Remaining	11+ Years
Rental Increases	Yes
Renewal Options	Two, Five-Year

OPERATING DATA

Lease Years	Annual Rent	Cap Rate
5-10	\$104,782	7.00%
11-15	\$115,260	7.70%
16-17	\$126,786	8.47%
Options	Annual Rent	Cap Rate
18-22 (Option 1)	\$126,786	8.47%
23-27 (Option 2)	\$139,464	9.32%

Base Rent	\$104,782
Net Operating Income	\$104,782
Total Return	7.00% \$104,782

HIGHLIGHTS



**11 Plus Years Remaining
in Base Term**



**Wichita MSA - Over 217,000
People in 10 Miles**



**10% Increases Every
Five-Years**



**AHHI Exceeds \$134,000
in Three-Mile Radius**



**Healthcare - Essential and
Recession Proof Industry**



**Urgent Care Industry Grew
by 9.6% in 2019 With Over
9,616 Centers**

SITE PLAN

SITE PLAN KEY

Parcel Outline



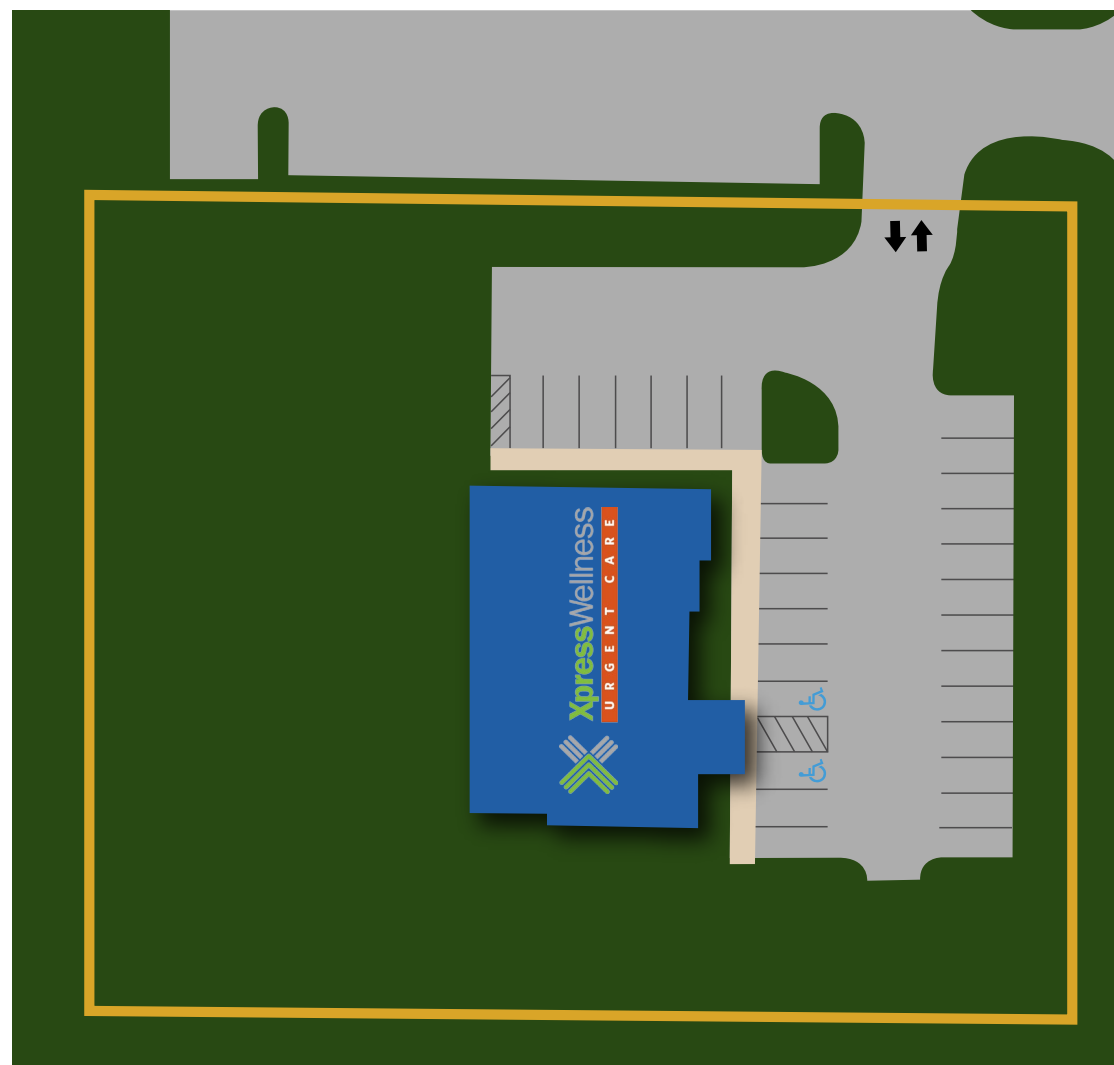
Lot Size

+/- 1.18 Acres

Building Sq Ft

4,275 Sq Ft

Ingress/Egress



S Andover Rd

TENANT OVERVIEW



No. of Locations:	No. of States:	Year Founded:	Website:
30 Current 12+ Coming Soon	2	2014	https://xpresswellnessurgentcare.com

Xpress Wellness Urgent Care is a private urgent care company based in Oklahoma, that is passionate about helping others. Our 19 Midwest locations are led by the Chief Medical Officer, Dr. Scott Williams. As a graduate of Oklahoma State University College of Osteopathic Medicine, Dr. Williams started a family practice in 1999, and has grown his vision of affordable access to care throughout the area. He leads a team of experienced medical providers who share the same DNA of helping patients by providing exceptional care.

At Xpress Wellness, you'll find that our walk-in clinic is friendly, clean, and above all, ready to treat your non-life-threatening injuries and illnesses. One of the greatest aspects of our medical clinic is the fact that you don't need an appointment to be seen. That's right, you can walk-in at any time to have your injury or illnesses examined by one of our providers. Another great aspect of our walk-in clinic is that you can actually check-in online to speed up the process. It's easy, convenient, and makes for a much better experience than your typical medical clinic. This option is available for all of our clinics, seven days a week. The amenities we have available at all of our urgent care locations allows us to treat a wider range of injuries and illnesses in multiple ways.

Accidents and illnesses happen at the most inopportune times, so it's important to have an urgent care provider that you can depend on. Our urgent care clinics are prepared to handle non-life-threatening injuries and illnesses whenever the need arises. Find quality care you can always depend on at the time most convenient to you by walking into one of our locations, or using our quick online check-in.

Source: <https://xpresswellnessurgentcare.com>



Xpress Wellness Urgent Care Announces Recapitalization by Latticework Capital Management

OKLAHOMA CITY & DALLAS--(BUSINESS WIRE)--Xpress Wellness Urgent Care ("Xpress"), the largest urgent care provider to secondary markets in Oklahoma and Kansas, today announced that it has received an investment from Latticework Capital Management ("LCM"), a Dallas-based growth-oriented private equity firm focused exclusively on the healthcare industry. Financial terms of the transaction were not disclosed.

Founded in 2013, Xpress Wellness Urgent Care operates walk-in clinics to treat non-life-threatening injuries and illnesses. In addition to urgent care, the company provides a number of services to pediatric and adult patients, including primary care, workers' compensation services, occupational medicine and sports medicine. Xpress urgent care facilities are certified and accredited by the Urgent Care Association ("UCA"). The company employs approximately 130 professionals and has ten locations.

"Since our founding, we have strived to provide access to quality healthcare to underserved communities, in keeping with our goal of offering the best possible experience for each and every patient," said Dr. Scott Williams, Chief Medical Officer of Xpress Wellness Urgent Care. "Partnering with LCM, a firm with a quality track record in the healthcare sector, we believe will help scale the business in the most strategic and efficient manner. It is a pleasure to welcome them to the Xpress family as we seek to continue providing our patients with the premier care they expect and deserve."

Source: <https://www.businesswire.com/news/home/20181115005093/en/Xpress-Wellness-Urgent-Care-Announces-Recapitalization-by-Latticework-Capital-Management>



LatticeWork Capital Management ("LCM") is a private equity investment firm established to make control equity investments in the lower middle market, focused exclusively on the healthcare industry. LatticeWork seeks to partner with entrepreneurs and management teams to execute customer focused acquisition strategies in targeted healthcare subsectors.

LATTICEWORK TEAM

- Dallas, Texas based team of investment professionals with over 50 years of combined investing experience having invested over \$1.5 billion of equity capital into healthcare companies
- Broad experience in middle-market healthcare investing, covering over 70 acquisitions across a diverse array of industry subsectors
- The LCM Executive Advisory Council is comprised of key healthcare industry executives and operating partners that provide detailed knowledge of specific industry subsectors, proprietary deal sourcing capabilities, due diligence assistance, and post-closing assistance in strategic and tactical execution of our Value Creation Plans

HEALTHCARE FOCUS

- Experience building companies across the healthcare ecosystem including: urgent care, hospital outsourcing, animal health, behavioral health, hospice, physical therapy, home infusion, diabetic supply distribution, pharmaceutical services and medical device/equipment manufacturing
- Healthcare is a \$3.8 plus trillion, recession resistant market projected to grow 5.6 percent annually through 2027. LCM believes the complex and changing landscape of the healthcare industry requires specialization in order to be a value-added partner to management teams

SUBSECTOR	SELECTED AREAS OF INTEREST	HIGHLIGHTS
HEALTHCARE PROVIDERS & BUSINESS SERVICES	<ul style="list-style-type: none"> ✓ Specialty Physicians ✓ Outsourced Services ✓ Urgent Care ✓ Behavioral Health ✓ Animal Health ✓ Physical Therapy ✓ Dental Service Organizations 	<ul style="list-style-type: none"> ✓ Favorable Demographics ✓ Expanding Access ✓ Cost Containment ✓ Favorable Industry and Reimbursement Trends ✓ Recession Resistance



FOR MORE INFORMATION
CLICK HERE

WHY BUY URGENT CARE

Growth

- The Urgent Care Association released its 2019 benchmarking report that showed the total number of centers had reached 9,616 as of November 2019, a 9.6 percent jump from the previous year.
- Growth is being fueled by consumers seeking affordable and accessible health care coupled with a well-documented shortage of primary care physicians.
- Urgent care medicine has experienced meteoric growth across our country with convenience, high quality, an ability to significantly lower the cost of care and enhance access and entry to health care for millions of people each and every year.
- The combination of positive clinical outcomes and a patient-centric model of care delivery will continue to catalyze industry growth.

Demand For Healthcare

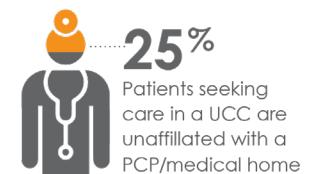
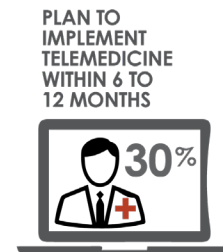
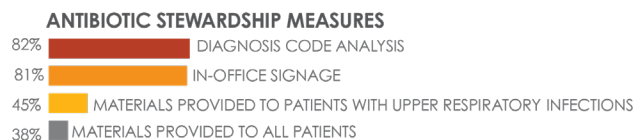
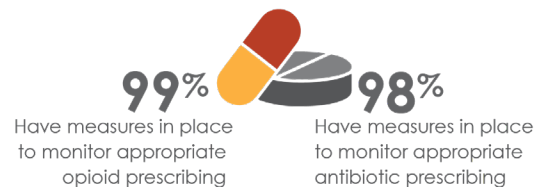
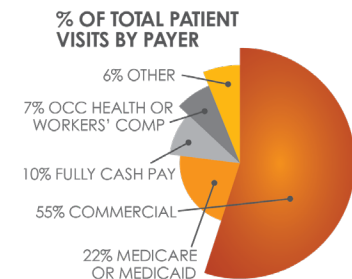
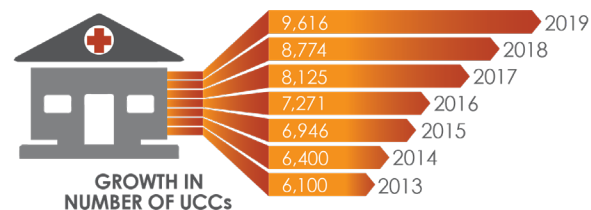
- Urgent care clinics handle about 89 million patient visits each year.
- Healthcare in the United States is upwards of 17.8 percent of the national gross domestic product (2019)

Consumer's Push Towards Convenience

- Convenience in locations of urgent care centers, convenience in hours of availability and convenience in breadth of services offered. Most urgent care centers offer a one-stop environment from the scope of services, offering pediatric to geriatric evaluations, to on-site diagnostics including imaging and laboratory. Many also dispense prepackaged medications, allowing patients immediate access to dozens of routine and/or generic medications without having to visit a 24-hour off-site pharmacy or wait for the next day to receive necessary medical treatment.

Source: <https://www.ucaoa.org/>

UCA URGENT CARE ASSOCIATION



PROPERTY PHOTOS



AERIAL - SOUTHEAST

U.S. Route 400
23,890 CPD

SunStone Apartment
Homes at MarketPlace
208 Units

Great Clips®

Dillons
FOOD STORES®

AutoZone
Spangles

Los Coccos
Mexican Restaurant

F

Arby's

Andover Crossing
Apartments & Townhomes
80 Units

ATWOODS
Ranch ★ Home

EMPRISE BANK

Applebee's
GRILL • BAR

BRAUM'S

goodwill

TACO BELL

PAPA JOHN'S
PIZZA

BANK OF AMERICA


DUNKIN'


Subject Property

XpressWellness
URGENT CARE

S Andover St



 **ANDOVER CENTRAL
HIGH SCHOOL**
809 Students

 **SUNFLOWER
ELEMENTARY SCHOOL**
424 Students

 **DOLLAR TREE**

 **Arby's**
Great Clips®
 **Los Cocos**
Mexican Restaurant

 **PRAIRIE CREEK
ELEMENTARY SCHOOL**
472 Students

ATWOODS
Ranch ★ Home
 **EMPRISE
BANK®**  **TACO
BELL**
 **Applebee's**
GRILL + BAR  **PAPA JOHN'S**
PIZZA

 **Dillons**
FOOD STORES®

DOLLAR GENERAL

 **Wendy's**

Walgreens

S Andover St

 **Cafe Rooster**
FINE BUSTED ROOSTER
COFFEE • CAFE • RESTAURANT

**Dairy
Queen**

 **McDonald's**

Subject Property
 **XpressWellness**
URGENT CARE

 **AutoZone®**
 **Spangles**

 **goodwill**

 **SONIC**  **KFC**  **Pizza
Hut**

DUNKIN'®

 **BRAUM'S**

 **Holiday Inn
Express**

 **O'Reilly**
AUTO PARTS  **UNITED STATES
POSTAL SERVICE**
 **Papa Murphy's**
TAKE 'N' BAKE PIZZA
verizon authorized
retailer

 **BANK OF AMERICA**

U.S. Route 400
 **23,890 CPD**

LOCATION OVERVIEW

Andover, Kansas is a growing community that encompasses a land area of about 11 square miles. Andover brings together the best of big city proximity and small town safety. Children will enjoy top-notch education as our school district is continually recognized for its excellence in academia, sports, and the arts. Andover has been ranked "Best City for Young Families", and "Best City for Home Ownership" in Kansas.

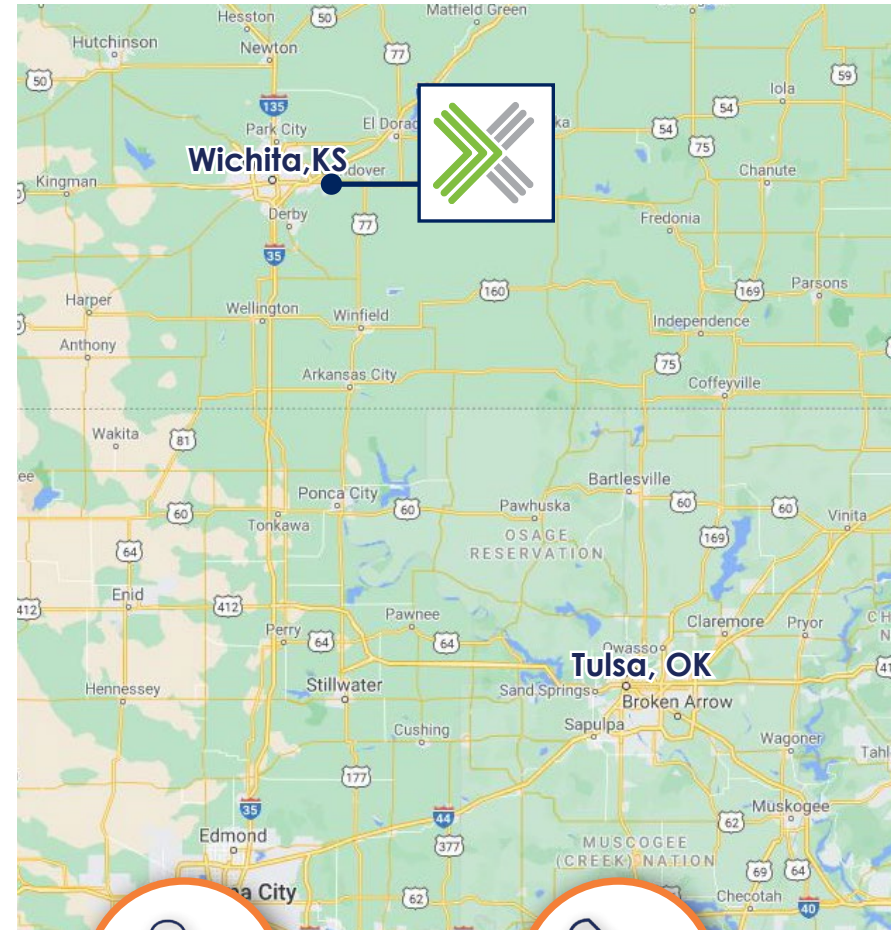
Andover is about 12 miles from Wichita, Kansas. Wichita is the largest city in the state of Kansas and the 48th-largest city in the United States, with a population of more than 389,000. The estimated population of the Wichita metropolitan area is 650,000.

In the 1920s and 1930s, businessmen and aeronautical engineers established a number of successful aircraft manufacturing companies in Wichita. Lloyd Stearman, Walter Beech and Clyde Cessna established the Travel Air Manufacturing Company in Wichita in January 26, 1925. The city transformed into a hub of aircraft production and became known as "The Air Capital of the World." Beechcraft, Cessna (both now part of Textron Aviation) and other firms including Bombardier Learjet, Airbus and Spirit AeroSystems continue to operate design and manufacturing facilities in Wichita today, and the city remains a major center of the aircraft industry.

Since its early days, Wichita has evolved into a vibrant, multicultural city, with many new eateries, shops, breweries and outdoor spaces like Naftzger Park, a newly-redesigned urban park in downtown Wichita and regular gathering spot for food trucks, and Revolutsia, a shipping container development with shopping and dining.

First Fridays are a way to experience the local art scene, which earned Wichita a spot in Expedia's list of Most Artistic Towns in the United States. Additionally, expansion of the city's free Q-Line transportation, Bike Share ICT and electric scooters have ignited vibrancy into the city's core. Lively festivals like Riverfest, Autumn & Art and the Tallgrass Film Festival also keep Wichita buzzing with excitement throughout the year.

Source: <https://www.andoverks.com/613/About-Andover>, <https://www.visitwichita.com/about-wichita/>



12.2 MILES
EAST OF
WICHITA, KS



18.3 MILES
WICHITA DWIGHT D. EISENHOWER
INTERNATIONAL AIRPORT



15.7 MILES
TOWN WEST
SQUARE



14.0 MILES
NEWMAN
UNIVERSITY

POPULATION	3-MILE	5-MILE	10-MILE
2010 Population	20,343	39,538	203,263
2020 Population	22,079	44,001	212,013
2025 Population	23,321	47,182	217,847

HOUSEHOLDS	3-MILE	5-MILE	10-MILE
2010 Households	7,077	13,740	80,391
2020 Households	7,733	15,394	84,046
2025 Households	8,226	16,587	86,814

INCOME	3-MILE	5-MILE	10-MILE
Median Household Income	\$103,088	\$92,491	\$58,431
Per Capita Income	\$47,020	\$43,542	\$33,086
Average Household Income	\$134,038	\$124,341	\$82,942



POPULATION

In 2020, the population in your selected geography is 212,013. The population has changed by 16.35% since 2000. It is estimated that the population in your area will be 217,847 five years from now, which represents a change of 2.75% from the current year. The current population is 49.00% male and 51.00% female. The median age of the population in your area is 35.1, compare this to the Entire US average which is 38.2. The population density in your area is 674.21 people per square mile.

HOUSEHOLDS

There are currently 84,046 households in your selected geography. The number of households has changed by 15.33% since 2000. It is estimated that the number of households in your area will be 86,814 five years from now, which represents a change of 3.29% from the current year. The average household size in your area is 2.50 persons.

INCOME

In 2020, the median household income for your selected geography is \$58,431, compare this to the Entire US average which is currently \$62,990. The median household income for your area has changed by 36.54% since 2000. It is estimated that the median household income in your area will be \$67,397 five years from now, which represents a change of 15.34% from the current year.

The current year per capita income in your area is \$33,086, compare this to the Entire US average, which is \$34,935. The current year average household income in your area is \$82,942, compare this to the Entire US average which is \$90,941.

EDUCATION

The highest level of 2020 educational attainment in your selected area is as follows: 13.82% percent graduate degree, 22.83% percent bachelor's degree, 8.37% percent associate degree, 23.61% percent some college, 22.01% percent high-school graduate, 5.83% percent some high school and 3.52% percent elementary.

The U.S. averages are 11.79% percent graduate degree, 19.22% percent bachelor's degree, 8.26% percent associate degree, 20.70% percent some college, 27.38% percent high-school graduate, 7.28% percent some high school and 5.38% percent elementary.

HOUSING

In 2000, there were 45,462 owner occupied housing units in your area and there were 27,415 renter occupied housing units in your area. The median rent at the time was \$409.

EMPLOYMENT

In 2020, there are 89,342 employees in your selected area, this is also known as the day-time population. The 2000 Census revealed that 63.80% of employees are employed in white-collar occupations in this geography, and 36.16% are employed in blue-collar occupations. In 2020, unemployment in this area is 3.73%. In 2000, the average time traveled to work was 19.5 minutes.