

SMILE DOCTORS

2500 MILITARY RD SUITE 2/3 | COLUMBUS, MS 39705



OFFERING MEMORANDUM

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

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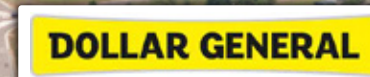
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Area Overview





82

± 33,000 VPD

MILITARY RD ± 13,000 VPD

DOWNTOWN COLUMBUS

TENANTS



CAFE ON MAIN
CHEVRON
COLUMBUS FIRE DEPT.
DARK WATER TATTOO
J. BROUSSARD'S
MUNSON & BROTHERS TRADE POST
SHELL
TRUSTMARK
USPS
YMCA
ZACHARY'S
ETC.



EXECUTIVE OVERVIEW

SMILE DOCTORS

PROPERTY & LOCATION

- **High Quality Construction Office** — Smile Doctors' condo is within a 2005 construction property. The building is 20,000 SF and 100% leased
- **Sticky Investment** — Dental practices rarely relocate due to high build-out costs and difficulty in retaining the same patients after moving
- **Ideal Target Market for Smile Doctors** — The property provides immediate access to recurring patient bases for Smile Doctors, as Columbus is home to over 13 schools
- **Ideal 1031 Exchange Property** — With a long-term, passive lease, this property is ideal for buyers in a 1031 exchange looking for an asset that isn't management intensive
- **Hwy-82** — Markets like Columbus pull patients from as far as 40 miles away from the property. Sitting right off of the largest highway in the area improves access for patients from surrounding cities

TENANT & INDUSTRY

- **Rapid Tenant Growth Since 2017** — Smile Doctors has rapidly grown from 90 locations in 2017 to over 250 locations in 2021, making it one of the fastest growing DSOs
- **Streamlined Expansion** — Smile Doctors acquires existing orthodontic practices that are already successful and established within the community. This allows them to quickly grow their footprint across new markets and states
- **Demand for dental care is incredibly e-commerce and recession resistant.** Many offices saw a very strong rebound after COVID related lockdowns, proving it is an essential industry
- **Growing Sector in Healthcare** — The global orthodontic support market is expected to grow at a CAGR of 11.7% over the next 4 years alone



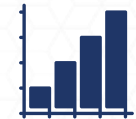
LIST PRICE

\$890,909



TOTAL NOI

\$73,500



CAP RATE

8.25%



GROSS LEASABLE AREA

±3,500 SF



FINANCIAL OVERVIEW

SMILE DOCTORS

INVESTMENT SUMMARY

List Price	\$890,909
NOI	\$73,500
CAP Rate	8.25%
GLA	±3,500 SF
Year Built	2005
Type of Ownership	Condo
Landscaping	Professional

TENANT SUMMARY

Tenant Name	Smile Doctors
Type of Ownership	Fee Condo Interest
Guarantor	Smile Doctors, LLC (Corporate)
Lease Type	NNN
Roof/Structure/ HVAC Replacement	Landlord Responsibility
Lease Commencement Date	1/23/19
Lease Expiration Date	1/22/29
Lease Term Remaining	± 8 Years
Increases	2% Annual Increases Starting in Year 5
Options	Two (2) Five (5) Year Options

ANNUALIZED OPERATING DATA

LEASE YEARS	MONTHLY RENT	ANNUAL RENT	CAP RATE
Current	\$6,125.00	\$73,500	8.25%
January 23, 2024	\$6,247.50	\$74,970	8.42%
January 23, 2025	\$6,372.45	\$76,469	8.58%
January 23, 2026	\$6,499.90	\$77,999	8.75%
January 23, 2027	\$6,629.90	\$79,559	8.93%
January 23, 2028	\$6,762.49	\$81,150	9.11%
January 22, 2029	\$6,897.74	\$82,773	9.29%

DEBT QUOTE

Loan quote provided by Matthews™
Capital based on market conditions at
this time. Actual rates and terms will vary
based on market conditions at closing.

LTV: 65.00%
RATE: 3.90%
AMORTIZATION: 25

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TENANT OVERVIEW

SMILE DOCTORS



COMPANY NAME
SMILE DOCTORS

LOCATIONS
250+ LOCATIONS

YEAR FOUNDED
2015

SMILE DOCTORS

Smile Doctors is the largest orthodontic dental support organization in the country with more than 250 locations in 18 states. Founded by Dr. Scott Law, Scotte Hudsmith, Dr. Dana Fender and Dr. Greg Goggans in 2015, the company is headquartered in Georgetown, Texas and focuses exclusively on developing and growing existing orthodontic practices. Smile Doctors locations are operated by licensed orthodontists and committed to providing affordable, all-inclusive orthodontic treatment to patients across the country. Smile Doctors' patient-centric approach and team collaboration result in beautiful, confident smiles and the highest standard of patient care.



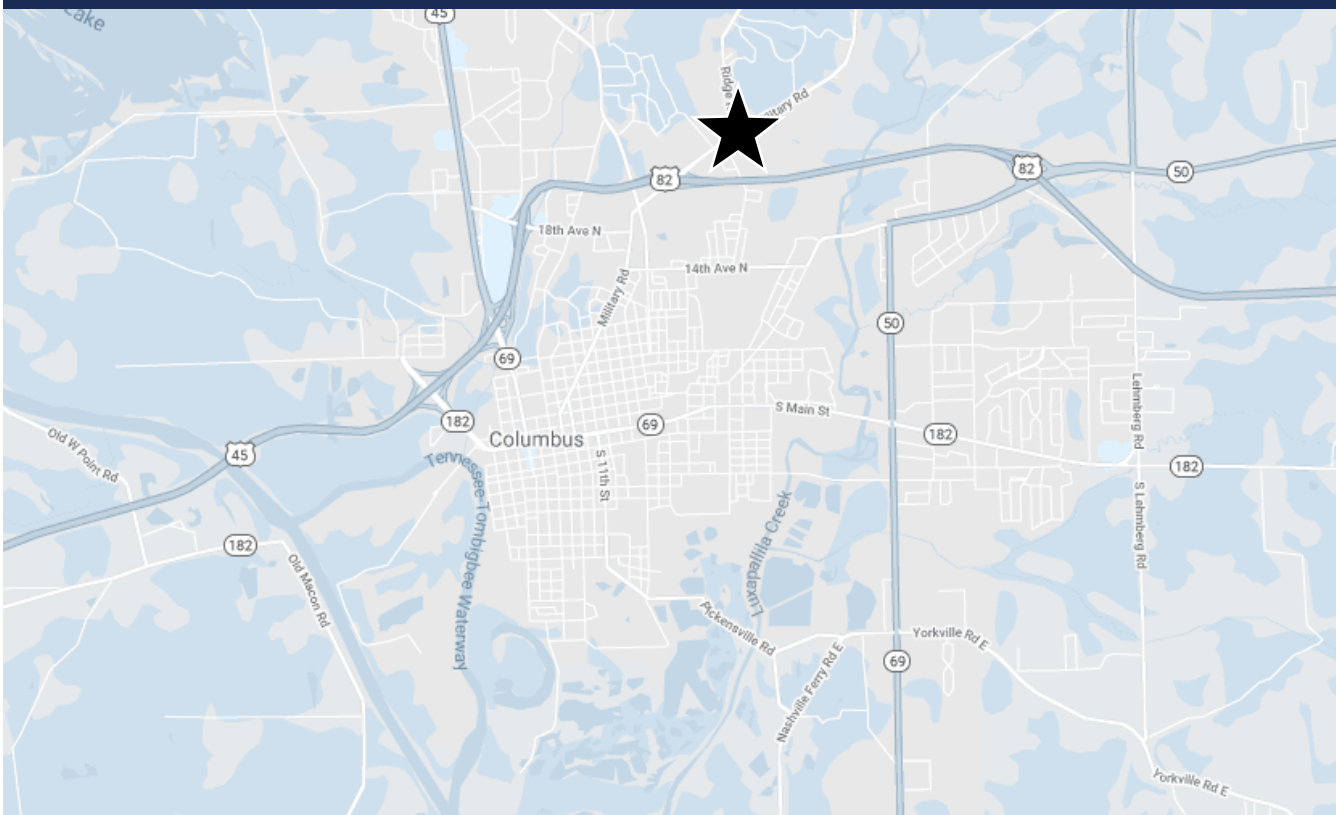
AREA OVERVIEW

SMILE DOCTORS

COLUMBUS, MS

Columbus is a city in and the county seat of Lowndes County, on the eastern border of Mississippi, located primarily east, but also north and northeast of the Tombigbee River, which is also part of the Tennessee-Tombigbee Waterway. Columbus is the principal city of the Columbus Micropolitan Statistical Area, which is part of the larger Columbus-West Point Combined Statistical Area. Columbus is also part of the area of Mississippi called The Golden Triangle, consisting of Columbus, West Point and Starkville, in the counties of Lowndes, Clay and Oktibbeha.

Columbus is an important trade centre for the surrounding agricultural region. The economy is augmented by manufactures (including automotive parts, plumbing products, furniture, paper, and wall coverings) and Columbus Air Force Base. The Tennessee-Tombigbee Waterway Development Authority (1958) is headquartered in Columbus. Mississippi University for Women originated there in 1884 as the Industrial Institute and College (the first American state-supported college for women), and the city's Franklin Academy (1821) was Mississippi's first free public school.



PROPERTY DEMOGRAPHICS

POPULATION	3-MILE	5-MILE	7-MILE
2026 Projection	25,655	33,992	42,118
2021 Estimate	25,857	34,332	42,916
2010 Census	25,881	34,724	44,418
HOUSEHOLDS	3-MILE	5-MILE	7-MILE
2026 Projection	10,399	13,576	17,557
2021 Estimate	10,482	13,714	17,566
2010 Census	10,488	13,866	17,566
INCOME	3-MILE	5-MILE	7-MILE
2021 Avg. Household Income	\$59,057	\$59,745	\$62,610

MISSISSIPPI UNIVERSITY FOR WOMEN

Mississippi University for Women is a coeducational public university in Columbus, Mississippi. It was formerly the Industrial Institute and College for the Education of White Girls and later the Mississippi State College for Women. Men have been admitted to MUW since 1982 and now make up about 20% of the student body.

The city's public high school (under the Columbus Municipal School District) is Columbus High School, located in the eastern part of town. It is the largest high school in the city and fifth largest in the state, enrolling approximately 1370 students. Columbus High School was formed by the merger of the city's two previous high schools, Stephen D. Lee High School and Caldwell High School; the schools were merged in 1992 and the campuses in 1997. Columbus is also home to the oldest public elementary school in Mississippi, Franklin Academy Elementary, founded in 1821.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs for **Smile Doctors** located at **2500 Military Rd Suite 2/3 #100, Columbus, MS 39705 (Property)**. The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

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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.

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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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