



# HEARTLAND DENTAL

HOOVER, ALABAMA

YURAS  
AICALE  
FORSYTH  
CROWLE

Leased Investment Team

## OFFERING MEMORANDUM

**\$3,212,000 | 5.25% CAP RATE**

- » New 10-Year Corporate Net Lease with 10% Rental Increases Every Five Years
- » Heartland Dental is the Largest Dental Support Organization in the U.S. (875+ Supported Dental Offices)
- » High-Traffic Location in Densely Populated, Growing, and Affluent Area
  - » Excellent Visibility and Access Along John Hawkins Parkway (29,593 AADT)
  - » 113,183 Residents Within a Five-Mile Radius of the Property
  - » Average Annual Household Income of \$108,396 Within Five Miles of the Site
- » Central Location Near Large Employers, Retailers, and Community Hubs
  - » Located in Dense Retail Corridor Near Riverchase Galleria, (15 Million Annual Visitors, Alabama's Top Tourist Attraction)
  - » Gateway to Downtown Birmingham, the Most Populous City in Alabama (Population 209,403)



FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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# INVESTMENT SUMMARY

<b>ADDRESS</b>	2720 John Hawkins Parkway, Hoover, AL 35244		
<b>PRICE</b>	<b>\$3,212,000</b>		
<b>CAP RATE</b>	<b>5.25%</b>		
<b>NOI</b>	\$168,588		
<b>TERM</b>	10 years		
<b>RENT COMMENCEMENT</b>	December 31, 2021		
<b>LEASE EXPIRATION</b>	December 31, 2031		
<b>RENTAL INCREASES</b>	10% rental increases every five (5) years		
	<b>YEAR</b>	<b>RENT</b>	<b>RETURN</b>
	1-5	\$168,588	5.25%
	6-10	\$185,447	5.78%
	11-15 (Option 1)	\$203,991	6.35%
	16-20 (Option 2)	\$224,409	6.99%
	21-25 (Option 3)	\$246,841	7.69%
<b>YEAR BUILT</b>	2003		
<b>BUILDING SF</b>	4,878 SF		
<b>PARCEL SIZE</b>	1.11 acres (48,237 SF)		
<b>LEASE TYPE</b>	Net, with tenant responsible for all taxes, insurance, and maintenance, excluding roof, structure, and parking lot		



FILE PHOTO

## NEW 10-YEAR NET LEASE WITH SCHEDULED RENTAL INCREASES

- » Leased to Heartland Dental for 10 years plus three (3) five-year options
- » 10% fixed rental increases every five years in initial term and extension terms, providing a hedge against inflation
- » Heartland Dental, LLC is the largest dental support organization in the U.S., with more than 875 supported dental offices located in 37 states

## HIGH-TRAFFIC LOCATION IN DENSELY POPULATED, GROWING, AND AFFLUENT AREA

- » Outparcel to a Walmart Supercenter-anchored shopping center, attracting crossover shopping to the location
- » 113,183 residents within a five-mile radius of the property, providing a large customer base for the location
- » High-visibility location along John Hawkins Parkway (29,593 AADT)
- » Central location at the confluence of highly trafficked Alabama thoroughfares, including Interstate 459, U.S. Route 31, and Interstate 65 (combined 248,899 AADT)
- » Average annual household income of \$108,396 within a five-mile radius of the site
- » Projected 12 percent average annual household income increase within a five-mile radius of the property in the next five years, poising Heartland Dental and Hoover for significant concurrent growth

## CENTRAL LOCATION NEAR MULTIPLE TOURIST ATTRACTIONS, RETAILERS, AND COMMUNITY HUBS

- » 1.5 miles from an entrance to Riverchase Galleria, one of the largest shopping centers in the Southeast and Alabama's top tourist attraction, with 15 million visitors per year
- » The Riverchase Galleria complex features over 200 retail stores, the Birmingham region's only Costco, a 15-story Hyatt Regency hotel, and the 17-story Galleria Tower office building
- » Beneficial proximity to significant new retail and residential developments, including the 339-acre expansion of the Trace Crossings housing community
- » Gateway to Downtown Birmingham, the most populous city in Alabama (population 209,403)
- » Centrally located between multiple area attractions, including Oak Mountain Amphitheatre, Hoover Metropolitan Complex, and Autobahn Speedway & Events Center





**Walmart**  
Supercenter

**BUFFALO WILD WINGS**  
GRILL & BAR

**The Juicy Crab**

**ihop**

**HEARTLAND**  
DENTAL

**John Hawkins Parkway**  
(29,593 AADT)

**Cahaba River Estates**

**Residence Inn**  
Marriott  
(118 rooms)

**CARmax**







U.S. Route 31  
(37,610 AADT)

Hoover Country Club

Interstate 459  
(81,588 AADT)



PARADISE LAKE



Cahaba River Estates

John Hawkins Parkway  
(29,593 AADT)







BESSEMER MUNICIPAL AIRPORT - MITCHELL FIELD

Autobahn Speedway & Events Center

The Crossings of Hoover



Hoover Metropolitan Complex  
(155,000 SF, 11 basketball courts,

Trace Crossings Housing Development Expansion  
(apprx. 250 units)



Interstate 459  
(81,588 AADT)



The Grove



Cahaba River Estates



John Hawkins Parkway  
(29,593 AADT)







Oak Mountain Amphitheater  
(accommodates 10,500 guests)

U.S. Route 31  
(37,610 AADT)

Interstate 65  
(129,701 AADT)



Cahaba River  
Estates

John Hawkins Parkway  
(29,593 AADT)





# TENANT SUMMARY



Heartland Dental, LLC is the largest dental support organization in the United States, with more than 875 supported dental offices located in 37 states. Founded in 1997, Heartland Dental currently supports over 1,200 dentists and over 10,000 team members nationwide. Based in Effingham, Illinois, Heartland Dental offers supported dentists and team members continuing professional education and leadership training, along with a variety of non-clinical administrative services, including staffing, human relations, procurement, administration, financial, marketing, and information technology. Heartland Dental was recently included in the Inc. 5000, which lists the fastest growing private companies in the U.S.

For more information, please visit [www.heartland.com](http://www.heartland.com).

<b>HEADQUARTERS</b>	<b>Effingham, IL</b>	<b># OF LOCATIONS</b>	<b>875+</b>
<b>OWNERSHIP</b>	<b>Private</b>	<b>REVENUE</b>	<b>\$1.3B</b>

# LEASE ABSTRACT

<b>TENANT</b>	Heartland Dental, LLC		
<b>ADDRESS</b>	<a href="#">2720 John Hawkins Parkway, Hoover, AL 35244</a>		
<b>RENT COMMENCEMENT</b>	December 31, 2021		
<b>LEASE EXPIRATION</b>	December 31, 2031		
<b>RENEWAL OPTIONS</b>	Three (3) options of five (5) years each		
<b>RENTAL INCREASES</b>	<b>YEAR</b> 1-5 6-10 11-15 (Option 1) 16-20 (Option 2) 21-25 (Option 3)	<b>RENT</b> \$168,588 \$185,447 \$203,991 \$224,409 \$246,841	<b>RETURN</b> 5.25% 5.78% 6.35% 6.99% 7.69%
<b>REAL ESTATE TAXES</b>	Tenant is responsible for all real estate taxes.		
<b>INSURANCE</b>	Tenant is responsible for all insurance costs.		
<b>REPAIR &amp; MAINTENANCE</b>	Tenant shall repair and maintain all portions of the Premises not specifically required to be maintained by Landlord.		
<b>MAINTENANCE BY LANDLORD</b>	Landlord shall repair and maintain the roof, foundation, structural portions, and exterior walls of the Premises.		
<b>RIGHT OF FIRST REFUSAL</b>	None		



# PROPERTY OVERVIEW

## LOCATION

The property has an easily accessible location visible from John Hawkins Parkway (29,593 AADT). The site maintains a central location at the confluence of highly trafficked Hoover thoroughfares, including Interstate 459, U.S. Route 31, and Interstate 65 (combined 248,899 AADT). The property is located in an affluent area, with an average annual household income of \$108,396 within five miles of the site. The site also benefits from its location in a populous area, with 113,183 residents living within a five-mile radius of the property. With a projected 12 percent average annual household income increase within a five-mile radius of the property in the next five years, Heartland Dental and Hoover are poised for significant concurrent growth.

The property benefits from its central location near multiple large employers, retailers, and community hubs. Visibility is increased by the site's location 1.5 miles from an entrance to Riverchase Galleria, one of the largest shopping centers in the Southeast and Alabama's top tourist attraction, with 15 million visitors per year. The Riverchase Galleria complex features over 200 retail stores, the Birmingham region's only Costco, a 15-story Hyatt Regency hotel, and the 17-story Galleria Tower office building. Significant development is also happening near the property, with construction on the 339-acre expansion of the Trace Crossings housing community underway. The property serves as a common gateway to Downtown Birmingham, the most populous city in Alabama (population 209,403), and is centrally located between multiple area attractions, including Oak Mountain Amphitheatre, Hoover Metropolitan Complex, and Autobahn Speedway & Events Center.

## ACCESS

Access from Cahaba River Estates and interparcel access from John Hawkins Parkway

## TRAFFIC COUNTS

John Hawkins Parkway:	29,593 AADT
Interstate 459:	81,588 AADT
U.S. Route 31:	37,610 AADT
Interstate 65:	129,701 AADT

## PARKING

31 parking stalls, including two (2) handicap stalls

## YEAR BUILT

2003

## NEAREST AIRPORT

Birmingham-Shuttlesworth International Airport (BHM | 21 miles)



**29K**  
TRAFFIC  
COUNT (AADT)



**31**  
PARKING  
STALLS



**NEAREST  
AIRPORT**  
BIRMINGHAM-  
SHUTTLESWORTH  
INTERNATIONAL  
AIRPORT



# AREA OVERVIEW

Located approximately 10 miles south of Birmingham, Hoover is Birmingham's largest suburb, with a population of over 92,600. Hoover is part of the Birmingham-Hoover, AL Metropolitan Statistical Area (MSA). Hoover is a retail hub for Alabama and is home to the Riverchase Galleria, one of the largest shopping centers in the Southeast and one of the largest mixed-use centers in the U.S., with 2.4 million square feet of total floor area. The Riverchase Galleria, which attracts an estimated 15 million visitors per year, is home to over 200 specialty stores and is anchored by Macy's, Belk's, Von Maur, JCPenney, and Sears. The Galleria complex includes restaurants, a hotel, and a 17-story office tower. In addition to retail, major sectors of Hoover's economy include healthcare, education, and business services. Hoover is served by Hoover City Schools, one of the highest ranked public school systems in Alabama. Hoover City Schools has more National Board-Certified teachers than any other system in Alabama, more Alabama Teachers of the Year than any other system in Alabama, and ACT scores above state and national averages. Hoover's central location, business-friendly climate, and excellent schools have caused the city to grow rapidly in the past several years, with residential and commercial growth expected to continue into the foreseeable future.

Birmingham is the most populous city in Alabama and is the county seat of Jefferson County. Greater Birmingham had an estimated population of 4,332,629 in 2021, making it the largest population region in Alabama, constituting over ¼ of the state's population. The Birmingham region is the largest economy in Alabama, making up over 30 percent of the state's total gross domestic product (GDP). The economy of Greater Birmingham is the most diversified of any metropolitan area in Alabama, ranging from service industries such as banking and finance to health-related technological research and heavy industry. Birmingham ranks as one of the most important business centers in the Southeastern U.S. and as one of the largest banking centers in the nation. Birmingham is also the retail, cultural, and entertainment capital of Alabama. The Birmingham metropolitan area has consistently been rated as one of America's best places to work and earn a living, based on the area's competitive salary rates and relatively low living expenses.

- » Hoover is home to the Riverchase Galleria, one of the largest shopping centers in the Southeast and one of the largest mixed-use centers in the U.S. It includes retail, hotel, and office space.
- » The Hoover Metro Area has a civilian labor force of 550,000+ people.

LARGEST EMPLOYERS IN BIRMINGHAM MSA	# OF EMPLOYEES
UNIVERSITY OF ALABAMA AT BIRMINGHAM	23,000
REGIONS FINANCIAL CORPORATION	7,134
HONDA MANUFACTURING OF ALABAMA	4,800
ST. VINCENT'S HEALTH SYSTEM	4,786
BAPTIST HEALTH SYSTEM	4,633
CHILDREN'S OF ALABAMA	4,543
AT&T	4,517
ALABAMA POWER COMPANY	3,982
BLUE CROSS AND BLUE SHIELD OF ALABAMA	3,570
MERCEDES-BENZ U.S. INTERNATIONAL	3,500

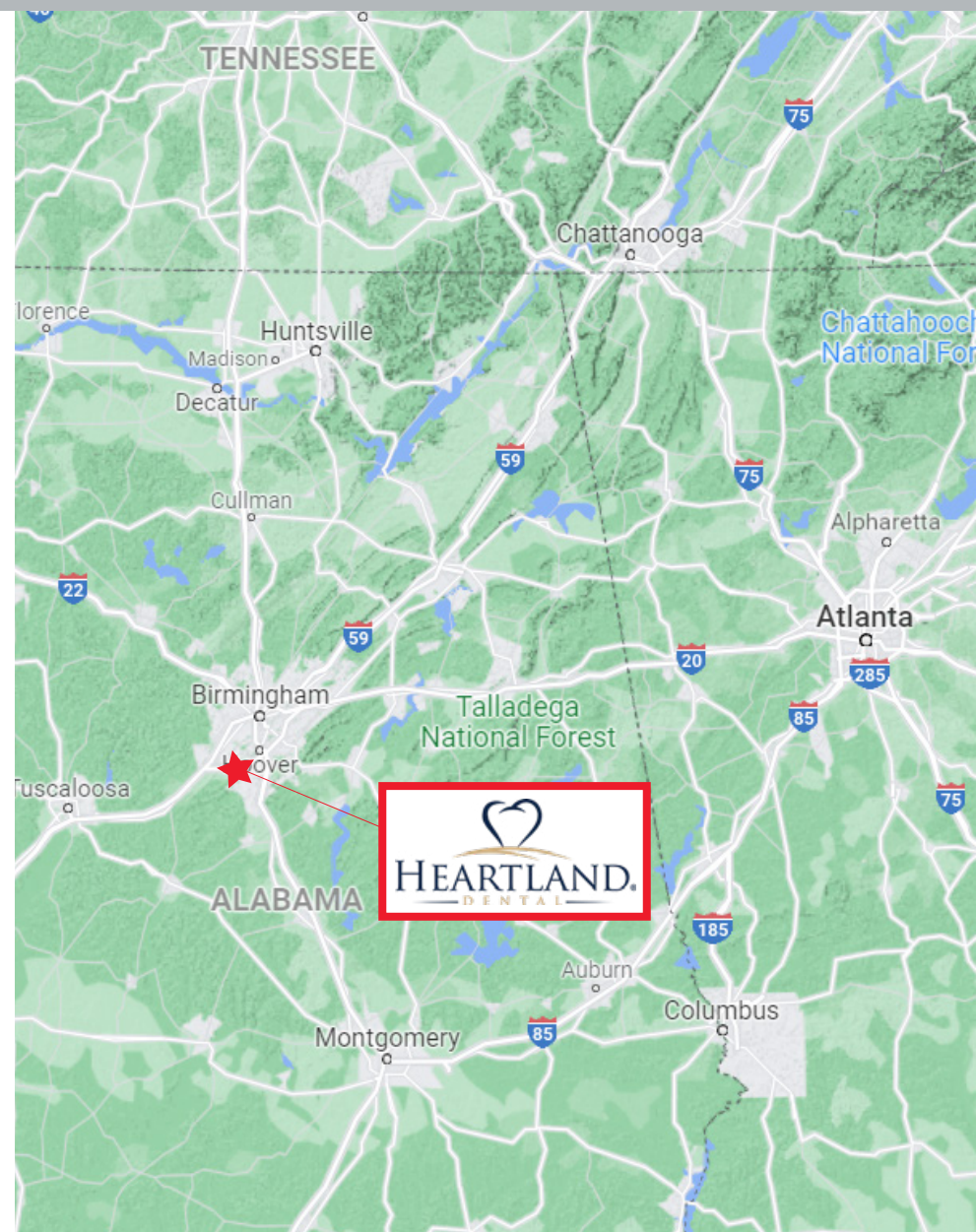




# DEMOGRAPHIC PROFILE

2021 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>6,085</b>	<b>48,580</b>	<b>113,183</b>
Households	2,790	19,769	45,566
Families	1,510	12,650	29,472
Average Household Size	2.16	2.44	2.47
Owner Occupied Housing Units	1,064	11,523	30,043
Renter Occupied Housing Units	1,726	8,246	15,523
Median Age	35.4	37.0	37.9
<b>Average Household Income</b>	<b>\$99,895</b>	<b>\$109,592</b>	<b>\$108,396</b>

2026 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>6,161</b>	<b>49,570</b>	<b>116,332</b>
Households	2,814	20,128	46,783
Families	1,520	12,837	30,138
Average Household Size	2.17	2.44	2.47
Owner Occupied Housing Units	1,103	11,882	31,160
Renter Occupied Housing Units	1,710	8,246	15,623
Median Age	35.8	37.9	39.0
<b>Average Household Income</b>	<b>\$110,352</b>	<b>\$121,819</b>	<b>\$121,037</b>



**AVERAGE HOUSEHOLD INCOME OF \$108,396**  
WITHIN FIVE MILES



**POPULATION OF 113,183**  
WITHIN FIVE MILES





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