



Smile Doctors

7864 MOORSBRIDGE RD | PORTAGE, MI 49024

OFFERING MEMORANDUM

EXCLUSIVELY LISTED BY

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EXECUTIVE OVERVIEW

TENANT HIGHLIGHTS

- **Recognized National Tenant**—Smile Doctors is one of the largest network of dental practices across the country, with over 300 locations. Within dentistry, they focus on orthodontic practices
- **Corporate Guaranty**—Smile Doctors' size provides one of the strongest guarantees in the dental industry
- **Consistent Growth**—Since it was founded, Smile Doctors has consistently added more partnered practice every single year, providing an extremely strong growth outlook for the company
- **\$156 Billion Industry**—Dentistry is one of the largest industries in healthcare and grows by an average of 2.4% annually

PROPERTY & LOCATION HIGHLIGHTS

- **Value Add Opportunity**—Smile Doctors leases the upstairs portion of the building, leaving 45% of the facility ready to be leased to a complementary dental practice or other medical specialty. This space has not yet been marketed for lease
- **Specialized Use & Tenant Investment in Location**—Dental and orthodontics practices rarely relocate due to high build-out costs and difficulty in retaining the same patients after moving
- Smile Doctors operates under a NNN lease with minimal landlord responsibilities
- **Inflation Hedge**—Smile Doctors' lease features strong rent increases of 3% annually



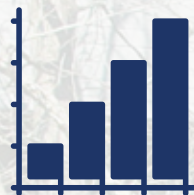
FINANCIAL OVERVIEW



\$1,814,904
LIST PRICE



\$145,192
NOI



8.00%
CAP RATE



55%
OCCUPANCY

INVESTMENT SUMMARY

List Price	\$1,814,904
NOI	\$145,192
Cap Rate	8.00%
Price/SF	\$164.99
Address	7864 Moorsbridge Rd, Portage, MI 49024
GLA of Building	±11,000 SF
Lot Size	±1.98 AC

LEASE ABSTRACT

Tenant Name	Smile Doctors
Type of Ownership	Fee Simple
Lease Guarantor	Smile Doctors, LLC
Lease Type	NNN
Original Lease Term	5 Years
Term Remaining on Lease	4 Years
Rental Increases	3% Annual
Option Periods	Two (2) Five (5) Year
Roof/Structure Replacement	Landlord Responsible
Parking Lot Replacement	Landlord Responsible
HVAC Replacement	Landlord Responsible
Taxes	Tenant Responsible
Maintenance	Tenant Responsible
Insurance	Tenant Responsible
Utilities	Tenant Responsible
Estoppel Certificate	Yes
ROFO/ROFR	No

INCOME & EXPENSES

Smile Doctors Net Rental Income	\$163,770.00
Expenses	-
Property Tax Expense (On Vacant Space)	\$16,650.16
Insurance Expense (On Vacant Space)	\$1,927.53
Total Expenses	\$18,577.69
Net Operating Income	\$145,192.31

ANNUALIZED OPERATING DATA

Tenant	Lease Term Remaining	SF	% of NRA	Contract Rental Rate Year	Month	Rental Increases	Options Remaining	Lease Structure
Smile Doctors	4 Years	6,000	54.55%	\$163,770	\$13,648	3.0% Annual	Two (2) Five (5) Year	NNN
First Floor (Vacant)	-	5,000	45.45%	-	-	-	-	-
Total		11,000	100%	\$163,770.00	\$13,647.50			



TENANT OVERVIEW

Smile Doctors is the largest orthodontic dental support organization in the country with more than 240 locations in 20 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.

**±300
LOCATIONS**

**LOCATED IN
23 STATES**

WEBSITE
<https://smiledoctors.com>



meijer

WAL*MART
SUPERCENTER

the **Y**

TAP HOUSE

ZiiNGO
Global Shopping

LA FIESTA BURRITO
MEXICAN RESTAURANT

Eastern Pediatric Dentistry

BLUE OX
CREDIT UNION

Great Clips
IT'S GONNA BE GREAT

Little Caesars

FIELDSTONE
Grill

FIFTH THIRD BANK

Harding's
FRIENDLY MARKETS

LAKESIDE MICHIGAN
CREDIT UNION

BRONSON

SUBWAY

Big Apple
BAGELS

the MOORS
GOLF CLUB



SUBJECT PROPERTY

MOORS BRIDGE RD

KALAMAZOO ORAL & MAXILLOFACIAL SURGERY





MOORSBRIDGE DR

AREA OVERVIEW



PORTAGE, MICHIGAN

Portage is a small city just 5 miles south of Kalamazoo and Western Michigan University in Michigan. It is the smaller of the two main cities included in the Kalamazoo-Portage Metropolitan Statistical Area, which has a population of over 264,000 people. The metro area prides itself on the cultural arts, education, and as an outdoorsy community for sports and recreational activities. The city's extensive network of hiking and biking trails, surrounding bodies of water, sporting events, local shopping, concerts, and more offer residents plenty of amenities and leisure. The town has 13 public parks, including Romona Park which has a beautiful public beach and picnic area on Long Lake with activities and opportunities for families. The Air Zoo Aerospace and Science Museum has a collection of rare aircrafts, offering a family-friendly atmosphere next to the international airport. Additionally, the museum was voted the "Best Place to Take Out-of-Towners" and "Best Place to Spend a Day with Your Family" two years in a row. The family-friendly environment of Portage and affordable homes are part of the reason why Portage calls itself "a natural place to move." Overall, Portage offers its citizens a dynamic living environment, energized and sustained by quality-of-life characteristics that are unmatched in the region.

DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2027 Projection	5,725	40,988	83,394
2022 Estimate	5,512	40,173	81,957
Growth % 2022-2027	3.86%	2.03%	1.75%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2027 Projection	2,606	16,644	35,248
2022 Projection	2,501	16,268	34,547
Growth % 2022-2027	4.21%	2.31%	2.03%
HH INCOME	1 - MILE	3 - MILE	5 - MILE
2022 Est Avg HH Income	\$111,852	\$106,220	\$98,316

GRAND RAPIDS, MI

Known for having the most vibrant downtown between Chicago and Cleveland, Grand Rapids is the primary cultural and business hub of western Michigan on the Grand River. As Michigan's second-largest city, it has long been a mecca for creators and admirers of craftsmanship.

Upon its establishment, Grand Rapids emerged as a notable furniture-producing center due to nearby hardwood forests. Today, that industry has transitioned towards high-tech office furniture with the headquarters for such names as Steelcase and Herman Miller in the city.

Artistic creativity became an integral part of the city's identity in the 20th century, from visual and performing arts to brewery and cuisine. One of the world's most visited art museums, the Frederik Meijer Gardens & Sculpture Park, is housed in Grand Rapids. Voted Beer City USA in national polls, the city also attracts beer lovers to its Beer City Ale Trail, which boasts more than 40 breweries.

The surrounding area is agricultural, where greater agricultural variety than otherwise found in many Midwestern locations is promoted by the tempering effect of Lake Michigan. Michigan is second only to California in agricultural diversity; the area is responsible for producing 85% of all crops harvested in Michigan. In part because of the agricultural environment, the area was attractive to settlers who started large, successful businesses such as the Meijer, Van Andel and De Vos families, all of whom left large endowments to the city. Consequently, Meijer and Alticor are both headquartered in Grand Rapids along with other national and multi-national companies, such as Haworth, Wolverine World Wide and Zondervan.

With high incomes and low living costs, Grand Rapids offers big city amenities and a high quality of life to its residents. Downtown Grand Rapids is clean and traditionally Midwestern with a European appearance where the Grand River flows through. West of the Grand River lies an attractive redevelopment, home of the Van Andel Museum. Nice suburbs spread southwest and east, providing families more spacious living options.



ECONOMIC DEVELOPMENT

Grand Rapids has a diverse local economy supported by aviation, bio-science, and education. Fortune 1000 companies headquartered in Grand Rapids include UFP Industries and Steelcase. The city is also known as Furniture City, Grand Rapids is a historic furniture manufacturing center as it is home to five of the world's leading office furniture companies. Grand Rapids is also home to numerous colleges and universities, including Calvin University, Aquinas College, Cornerstone University, Kuyper College, Davenport University, Grace Christian University, and many more. According to Forbes, Grand Rapids has a gross metro product of \$64.6 billion. The city is served by Interstate 196, Interstate 96, and the Gerald R. Ford International Airport. Interstate 196 connects Grand Rapids to Holland and other cities along the shore of Lake Michigan. Interstate 96 connects Grand Rapids to Lansing in the east and Muskegon in the northwest. The Gerald R. Ford International Airport serves around three million passengers each year and generates an annual economic impact of \$3 billion.

GRAND RAPIDS ATTRACTIONS

Grand Rapids features several attractions including the Frederik Meijer Gardens & Sculpture Park, John Ball Zoo, and the Grand Rapids Public Museum. The city also hosts a variety of events and festivals, many of which occur at the Vandenberg Plaza, including the Celebration on the Grand and Festival of the Arts. Positioned along the Grand River and just 30 miles away from Lake Michigan, Grand Rapids is the economic and cultural center of West Michigan. It offers lots of opportunities for businesses and residents alike.

BEST TRAVEL DESTINATION IN MICHIGAN
(TRAVEL PULSE, 2020)
CRAFT BEVERAGE CAPITAL OF THE U.S.
(USA TODAY 10 BEST, 2020)



CONFIDENTIALITY AGREEMENT & DISCLAIMER

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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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