

AspenDental | sleep number

4143 N SHILOH DR, FAYETTEVILLE, AR 72703



INTERACTIVE
OFFERING
MEMORANDUM

EXCLUSIVELY LISTED BY

BROKER OF RECORD

KYLE MATTHEWS

License No. PB00084217 (AR)





TABLE OF CONTENTS

4 EXECUTIVE SUMMARY

5 INVESTMENT OVERVIEW

6 FINANCIAL OVERVIEW

8 TENANT OVERVIEW

12 AREA OVERVIEW

PROPERTY OVERVIEW

Property Name	Aspen Dental & Sleep Number
Address	4143 N Shiloh Dr, Fayetteville, AR 72703
Property Size	±6,500 SF
Occupancy	100%
Property Type	Healthcare / Retail
Year Built	2023

ASPEN DENTAL & SLEEP NUMBER



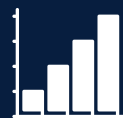
PRICE

\$4,188,462

NOI

\$272,250

GLA

±6,500 SFCAP RATE
6.50%TERM REMAINING
10 YEARSYEAR BUILT
2023

INVESTMENT SUMMARY

Matthews Real Estate Investment Services' Healthcare Division is pleased to offer to qualified investors the opportunity to obtain fee simple ownership in a new construction Aspen Dental & Sleep Number property with strong real estate fundamentals. This property features two NNN leases from premier operators within their respective industries, making it an ideal asset for a local or out of state buyer looking for an investment with minimal landlord responsibilities. Aspen Dental is the largest network of branded dental offices in the country, with over 1,000 locations. Sleep Number (NASDAQ: SNBR) was founded in 1987 and has over 650 retail locations across the country. The property is adjacent to the second largest mall in the state and sits within a massive retail and healthcare area that is home to just about every national tenant. Northwest Arkansas is the chosen location for Walmart's HQ, which has significant economic impacts on the area both through their large employment numbers and continued investment in the growth of the 13th most rapidly expanding MSA in the country.

INVESTMENT HIGHLIGHTS

Market Leading National Operators

The property is leased to Aspen Dental and Sleep Number, two of the largest operators within their respective industries. Both tenants have been in business for over 25 years and have consistently expanded their number of locations nationally.

Ideal 1031 Exchange Property

With minimal landlord responsibilities, strong rent increases, and ten years of term remaining from both tenants, this is an ideal property for local or out of state investors looking for a long-term income stream backed by the security of national tenants.

Strategic Retail & Healthcare Location

In addition to being next to Arkansas' second largest mall (over 900,000 SF), the property sits within a major retail corridor that is home to just about every national tenant, including Walmart, Target, Whole Foods, Hobby Lobby, Lowe's, and Home Depot. The immediate area is home to dozens of medical specialty practices, including the 75,000 square foot Washington Regional Medical Center.

High Traffic Corridor

The property sits right off of N College Ave, which sees over 39,000 cars per day outside the property.

Robust High-Growth Demographics

The Northwest Arkansas MSA is home to over 560,000 residents and is ranked as the 13th fastest-growing metro area in the country. The area is seeing a massive boom in all types of real estate development including housing, retail, and medical office.

Home of Walmart HQ

The NW Arkansas MSA is home to Walmart's Headquarters, where they employ over 14,000 people. Walmart is projected to invest over half a billion dollars in their new HQ, providing a massive economic boost to an already rapidly growing MSA.

Sticky Medical Office Investment

Dental offices rarely relocate due to high build-out costs of and difficulty in retaining the same patients after moving.

\$51 Billion Mattress Industry

The mattress industry's market size is valued at over \$50 billion and is projected to grow to over \$72 billion by 2029, a staggering 5.36% annual growth rate.

\$154 Billion Dental Industry

Dentistry is one of the largest industries in healthcare and is projected to grow by 6.24% annually from 2022 to 2027.

High Growth Operators

Founded in 1997 Aspen Dental has over 1,000 offices and is the largest network of branded dental practices in the country. They have consistently added new locations every year, opening a new office every four days on average. Sleep Number was founded over 35 years ago and continues to grow via de novo expansion in high traffic retail corridors.

INVESTMENT SUMMARY

List Price	\$4,188,462
NOI	\$272,250
Cap Rate	6.50%
Price PSF	\$644.38
Rent PSF	\$41.88

FINANCING OPTIONS

For financing, please reach out to:

Gregory Kavoklis
+1 (818) 206-5835
gregory.kavoklis@matthews.com

LEASE ABSTRACT

Tenant Name	Aspen Dental
Type of Ownership	Fee Simple
Lease Entity	Aspen Dental Management, Inc.
Lease Type	NNN
Original Lease Term	10 Years
Lease Commencement Date	8/1/2023*
Lease Expiration Date	8/1/2033
Term Remaining on Lease	10 Years
Rental Increases	10% Every Five (5) Years
Option Periods	Three, 5-Year Options
Roof/Structure	Landlord Responsible

*Final Rent Commencement Dates TBD

LEASE ABSTRACT

Tenant Name	Sleep Number (NASDAQ: SNBR)
Type of Ownership	Fee Simple
Lease Entity	Sleep Number
Lease Type	NNN
Original Lease Term	10 Years
Lease Commencement Date	8/1/2023*
Lease Expiration Date	8/1/2033
Term Remaining on Lease	10 Years
Rental Increases	2% Annual
Option Periods	Three, 5-Year Options
Roof/Structure	Landlord Responsible

RENT ROLL

Tenant Name	Lease Start	Lease End	SF	% of NRA	Contract Rental Rate		Rent PSF	Rental Increases	Options Remaining	Term Remaining	Lease Structure
					Annual	Monthly					
Aspen Dental	8/1/2023*	8/1/2033	3,500	54%	\$152,250	\$12,687.50	\$43.50	10% Every Five (5) Years	3 - 5 Years	10 Years	NNN
Sleep Number	8/1/2023*	8/1/2033	3,000	46%	\$120,000	\$10,000	\$40.00	2% Annually	3 - 5 Years	10 Years	NNN
Total			6,500	100%	\$272,250	\$22,688	\$41.88				



BUILDING SIZE
±6,500 SF



YEAR BUILT
2023



IN-PLACE NOI
\$272,250



CAP RATE
6.50%

RENT SCHEDULE

Term	Aspen Rent	Sleep Number Rent	Total Rent	Cap Rate
Year 1	\$152,250.00	\$120,000.00	\$272,250.00	6.50%
Year 2	\$152,250.00	\$122,400.00	\$274,650.00	6.56%
Year 3	\$152,250.00	\$124,848.00	\$277,098.00	6.62%
Year 4	\$152,250.00	\$127,344.96	\$279,594.96	6.68%
Year 5	\$152,250.00	\$129,891.86	\$282,141.86	6.74%
Year 6	\$167,475.00	\$132,489.70	\$299,964.70	7.16%
Year 7	\$167,475.00	\$135,139.49	\$302,614.49	7.22%
Year 8	\$167,475.00	\$137,842.28	\$305,317.28	7.29%
Year 9	\$167,475.00	\$140,599.13	\$308,074.13	7.36%
Year 10	\$167,475.00	\$143,411.11	\$310,886.11	7.42%

AspenDental



● **Website**
aspental.com



● **Locations**
1,000+



● **Number of Employees**
20,000+



● **Headquarters**
Chicago, Illinois

ASPEN DENTAL

Each Aspen Dental branded practice is owned and operated by a licensed dentist. Aspen Dental Management, Inc. (“ADMI”) provides administrative and business support services to Aspen Dental branded dental practices. ADMI licenses the “Aspen Dental” brand name to the independently owned and operated dental practices that use its business support services. ADMI does not own or operate the dental practices, employ or in any way supervise the dentists providing dental care, and control over the care provided is the sole responsibility of the independent practice and the dentists they employ.



sleep number



● **Website**
sleepnumber.com



● **Locations**
650+



● **Number of Employees**
5,000+



● **Headquarters**
Minneapolis, MN

SLEEP NUMBER (NASDAQ: SNBR)

Sleep Number Corp. offers individualized mattresses and sleep solutions. Consumers can customize Sleep Number bedding to suit their comforts. The company utilizes algorithms and biometric data for customizations. Revenue is generated through marketing and selling bedding through two distribution channels: company-controlled, including direct-to-consumer retail and online sales; and wholesale, which sells through selected wholesale and retail customers. Almost all revenue comes from company-controlled retail sales. Sleep Number Corp. sells its products throughout the United States.







NORTHWEST ARKANSAS MALL

JCPenney maurices
FINISH LINE Bath & Body Works
FOREVER 21 RACK ROOM SHOES



E JOYCE BLVD
± 30,000 VPD



SPRING CREEK CENTRE

CAT O BED BATH & BEYOND
THE HOME DEPOT
OLD NAVY DAVID'S BRIDAL
DOLLAR TREE ULTA BEAUTY

N COLLEGE AVE
± 42,000 VPD



PARADISE VALLEY ATHLETIC CLUB AND GOLF COURSE

FULBRIGHT EXPY
± 39,000 VPD



FAYETTEVILLE, AR

On the outskirts of the Boston Mountains deep in the Ozarks, Fayetteville is rapidly growing and considered one of the best places to live by national publications. Fayetteville is also a center for commerce as the birthplace of Walmart and Tyson Foods is headquartered in town. This lively community encompasses the University of Arkansas, the state’s flagship institution, bringing a vibrant, college town feel to the city. Students, alumni, residents, and visitors alike flock to the Donald W. Reynolds Stadium to catch an Arkansas Razorbacks game, a true college football experience.

Fayetteville’s natural landscapes provide a serene lifestyle with plenty of outdoor recreational opportunities. Visit Kessler Mountain Regional Park for access to soccer fields, baseball fields, mountain-lined trails, and more. Less than 50 miles from town, you’ll find the incredible Ozark National Forest amidst a widespread mountain range. In the northeast corner of town, residents enjoy Lake Fayetteville Park for lake views, nature trails, and 12 themed gardens at the Botanical Garden of the Ozarks.

Fayetteville is full of culture. Featuring international cuisines, food trucks, and locally sourced restaurants, this town is heaven for foodies. Visit JJ’s Grill for a fun, lively atmosphere with mouth-watering burgers. Fayetteville hosts over 180 festivals each year so it’s easy to get a taste of the city’s unique vibe. The city is great for art aficionados with galleries and murals throughout town.

DEMOGRAPHICS			
POPULATION	1-MILE	3-MILE	5-MILE
2010 Population	13,496	102,775	209,241
2022 Population	13,572	105,532	217,594
2027 Population Projection	13,673	106,748	220,806
Annual Growth 2010-2022	0.74%	1.15%	1.48%
Annual Growth 2022-2027	0.56%	2.68%	3.99%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2010 Households	4,909	37,332	76,607
2022 Households	5,127	39,519	82,250
2027 Household Projection	5,273	40,922	85,362
Annual Growth 2010-2022	2.85%	3.55%	3.78%
Annual Growth 2022-2027	4.44%	5.86%	7.37%
INCOME	1-MILE	3-MILE	5-MILE
2022 Avg Household Income	\$81,540	\$70,820	\$77,465



FAYETTEVILLE ECONOMY

Fayetteville strives to be a hub for strong businesses where equitable access to living-wage jobs create a diverse, innovative, and resilient economy. By focusing on retaining talent, developing green jobs, and becoming the Startup City of the South, Fayetteville is building the most sustainable business climate possible.

Education is a major sector of Fayetteville's economy; the University of Arkansas and the Fayetteville School District are some of the area's largest employers. While many who reside in Fayetteville work in higher education somehow, Northwest Arkansas serves as the base of operations for three of Arkansas' six Fortune 500 companies: Walmart, Tyson Foods Inc. and J.B. Hunt Transport Services. Other companies have established operations in the region to be closer to these commerce giants, providing residents with a bevy of manufacturing, distribution and sales opportunities.



NEW WALMART HEADQUARTERS (±20 MI FROM SUBJECT PROPERTY)

The new Walmart Home Office will be in Bentonville on roughly 350 acres of land on the east side of J Street, between Central Avenue and 14th Street (Highway 102). For years, the company has operated warehouse spaces and office buildings on this site. By demolishing and recycling those existing buildings and offices, we are revitalizing the existing tract of land, contributing to the economic growth in the area and integrating with the broader Bentonville community development efforts. The plans include 12 office buildings, along with amenity buildings, parking decks and surface lots. The development will be constructed in phases.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 4143 N Shiloh Dr, Fayetteville, AR 72703 ("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. Neither 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:

1. The Offering Memorandum and its contents are confidential;
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.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews Real Estate Investment Services, the property, or the seller by such entity.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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 Owner 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 of this Offering Memorandum.

EXCLUSIVELY LISTED BY



BROKER OF RECORD

KYLE MATTHEWS

License No. PB00084217 (AR)

AspenDental | sleep  number

4143 N SHILOH DR, FAYETTEVILLE, AR 72703