



# HEARTLAND DENTAL

4021 BENJAMIN DR,  
WOODBURY, MN 55129



INTERACTIVE OFFERING MEMORANDUM



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**SUBJECT PROPERTY**





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## INVESTMENT HIGHLIGHTS

### New Construction

Class A site constructed in 2020, creating the opportunity for an investor to leverage depreciation benefits.

### NNN Structure

Attractive passive income opportunity, with landlord responsibilities limited to roof & structure.

### Near Term Rental Escalation

In lease year 5, NOI increases to \$188,877, pushing an investor's yield to 6.44%. Lease includes 10% in each of the four, 5-year options, creating a strong hedge against inflation.

### Corporate Guarantee

Lease is fully guaranteed by Heartland Dental, the nation's largest dental support organization, affiliated with over 2,700 doctors in over 1,700 locations across 38 states.

### Retail Synergy & New Development

Subject property is surrounded by several new development projects, including the Ascend at Woodbury, a 305 unit luxury apartment building, and a new 12k SF Kinder Care.

### Strong Demographics

Average Household incomes exceeding \$170,000 within a 1-mile radius. Population has grown >21% since the 2010.

### E-Commerce Resistant Investment

Services provided by clinic are performed by dental professionals in-person.

## PROPERTY OVERVIEW

Property Name	Heartland Dental   City's Edge Dental Care
Address	4021 Benjamin Dr, Woodbury, MN 55129
GLA	±4,347 SF
Lot Size	±0.94 AC   ±40,951 SF
Year Built	2020
Occupancy	100%
Property Type	Dental Office
Ownership Type	Fee Simple

## DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2020 Population	6,961	47,280	137,815
2023 Population	8,648	56,740	162,370
2028 Population Projection	9,138	59,538	169,558
Annual Growth 2020-2023	1.9%	1.5%	1.4%
Annual Growth 2023-2028	1.1%	1.0%	0.9%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2020 Households	2,253	16,984	50,777
2023 Households	2,837	20,533	60,016
2028 Household Projection	3,003	21,573	62,692
Annual Growth 2020-2023	2.3%	1.8%	1.6%
Annual Growth 2023-2028	1.2%	1.0%	0.9%
INCOME	1-MILE	3-MILE	5-MILE
Avg. Household Income	\$171,173	\$136,065	\$121,168





## INVESTMENT SUMMARY

List Price	\$2,935,154
Cap Rate	5.85%
NOI	\$171,706.50
Price PSF	\$675.21

## LEASE ABSTRACT

Tenant Name:	Heartland Dental   City's Edge Dental Care
Guarantor:	Heartland Dental LLC
Ownership	Fee Simple
Lease Type	NNN
Original Lease Term	10 Years
Lease Commencement	1/15/2021
Initial Term Expiration	1/15/2031
Years Remaining	±7.42 Years
Options to Renew	Four, 5-Year Options
Increases	10% Every 5 Years
LL Responsibilities	Roof Replacement & Structure

## FINANCING OPTIONS

For financing, please contact:  
Greg Kavoklis  
+1 (818) 206-5835  
gregory.kavoklis@matthews.com

## ANNUALIZED OPERATING DATA

Term	Years	Annual Rent	Monthly Rent	
Base Term	1/15/2021-1/15/2025	1-5	\$171,706.50	\$14,308.88
	1/15/2026-1/15/2030	6-10	\$188,877.15	\$15,739.76
Option 1	1/15/2031-1/15/2035	11-15	\$207,764.87	\$17,313.74
Option 2	1/15/2036-1/15/2040	16-20	\$228,541.35	\$19,045.11
Option 3	1/15/2041-1/15/2045	21-25	\$251,395.49	\$20,949.62
Option 4	1/15/2046-1/15/2050	26-30	\$276,535.04	\$23,044.59



IN-PLACE NOI  
**\$171,706**



BUILDING SIZE  
**±4,347 SF**



LOT SIZE  
**±0.94 AC**





EAST RIDGE HIGH SCHOOL  
512 STUDENTS



ORVILLE COMMONS



HARVEST COMMON



ASCEND AT WOODBURY



JEFFREY MAIR ORTHOPEDIC SURGEON

4021 BENJAMIN DR

SUBJECT PROPERTY

BAILEY RD ± 12,000 VPD

RADIO DR ± 10,000 VPD









## HEARTLAND DENTAL

Heartland Dental was founded in 1997 by Rick Workman, DMD, who opened his first two dental offices in Effingham, IL. Today, Heartland Dental is the nation's largest dental support organization providing non-clinical, administrative support services to 1,000 supported dentists across 37 states. Heartland Dental partners with its supported dentists to deliver high-quality care across the full spectrum of dental services, and is majority owned by KKR, a leading global investment firm.

At Heartland Dental, they are committed to helping dental professionals at every stage of their professional journey. They are experts in the business of dentistry with years of experience in the industry, and we're committed to helping both established practice owners and young professionals further their dental careers. Whether a seasoned owner of a thriving practice or a fresh graduate looking to move forward in your professional life, Heartland Dental is here to help.



● **Website**  
heartland.com



● **Locations**  
1,700



● **Headquarters**  
Effingham, IL





# WOODBURY, MN

Woodbury is a vibrant and rapidly rising community in Minnesota that offers a blend of suburban comfort and urban convenience. Woodbury, located just east of St. Paul, has a family-friendly ambiance because to its well-kept neighborhoods, great schools, and abundant parks and recreational spaces. Its strategic location allows residents easy access to both natural beauty and urban conveniences, making it a perfect location for individuals who appreciate a balanced lifestyle. Hiking, riding, and picnics are just a few of the outdoor activities available to residents and visitors alike amid the city’s lush open spaces. The community is proud of its strong sense of community engagement, which is visible in its many events and local activities. With a booming shopping sector, a diverse dining environment, and a growing cultural scene, Woodbury offers a prime living experience for individuals and families alike.





# MINNEAPOLIS, MN

Located in Hennepin County, Minneapolis is the largest city in Minnesota and is home to over 430,000 residents. The city boasts an eclectic local culture that combines the best elements of Midwestern personality and metropolitan sophistication. Encompassing 57 square miles, Minneapolis offers locals and visitors a variety of recreational and family-friendly activities. Positioned along the Mississippi River and featuring 22 lakes and 170 city parks, the Minneapolis Park System is one of the most premier park systems in the United States. With notable seasons, there is something to do all-year round in Minneapolis. In the fall, the annual harvest festivals and leaf peeping are held for the entire family to enjoy. During the winter, some popular activities include ice skating, ice climbing, and ice fishing. As for spring, enjoy the fresh Farmers' market and baseball games; and barbecues, fireworks, and lake watersports in the summer. The city is also home to Mall of America, which is the largest shopping mall in the United States. With several art museums such as the Minneapolis Institute of Art, Walker Art Center and Weisman Art Museum in its arsenal, Minneapolis offers a taste of culture to its visitors through unique exhibitions. The city has over thirty theaters, including the legendary Guthrie Theater and the Children's Theatre Company, which are recognized as two of the country's best theaters. Impressively enough, Minneapolis is second only to New York City in per capita attendance at theater and art events. Overall, the city is an ideal place for outdoor-oriented sportspersons and families who are looking for a combination of big city amenities, an all-year-round outdoor city, and midwestern heart.

## ECONOMY AND ECONOMIC DEVELOPMENT

The Minneapolis–St. Paul area is the second-largest economic center in the Midwest, behind Chicago. Along with St. Paul, Minneapolis serves as the finance, industry, trade, and transportation center for the Upper Midwest region of the United States. The city also has a strong and diverse business foundation of companies involved in manufacturing supercomputers, electronics, medical instruments, milling, machine, manufacturing, food processing, and graphic arts. Minneapolis is home to seven hospitals and the University of Minnesota, making it a nationally known medical hub that produces many high technology medical products. Overall, the Minneapolis metropolitan area contributes over \$273 billion to the gross state product of Minnesota.



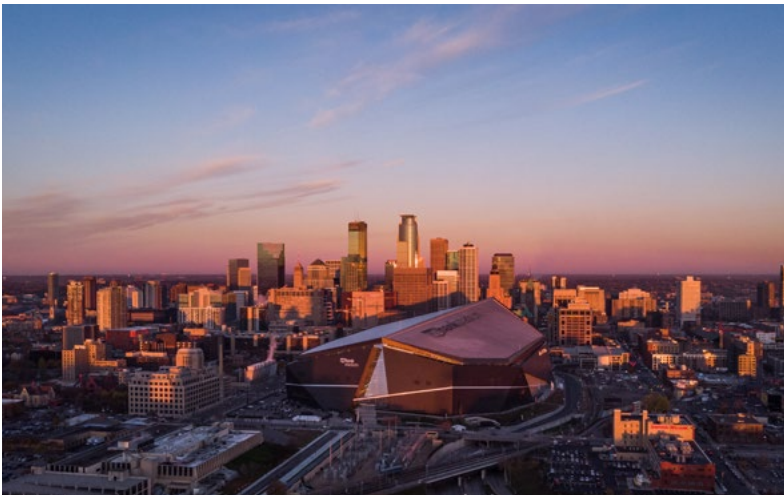
**3.69 MILLION**  
MINNEAPOLIS MSA POPULATION



**249.96 BILLION**  
GROSS DOMESTIC PRODUCT



**\$70,099**  
AVERAGE HOUSEHOLD INCOME



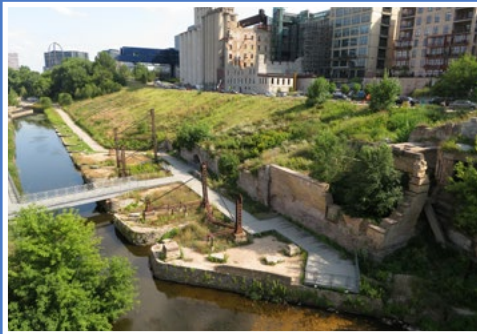


# ATTRACTIONS



## Minneapolis Institute of Art

Home to over 80,000 works of art representing 5,000 years of world history, Mia inspires wonder, spurs creativity, and nourishes the imagination. With extraordinary exhibitions and one of the finest wide-ranging art collections in the country - Rembrandt to van Gogh, Monet to Matisse, Asian to African - Mia links the past to the present, enables global conversations, and offers an exceptional setting for inspiration.



## Mill City Museum

Built within the ruins of what was once the world's largest flour mill, this fun, interactive history museum invites the whole family to ride the Flour Tower elevator, experience hands-on fun in the Water & Baking Labs, and enjoy rooftop views of the Mississippi River, St. Anthony Falls, and Stone Arch Bridge.



## Target Field

Opened in 2010, Target Field has an unbeatable view with the downtown Minneapolis skyline visible in the background. With nearly 18,500 of the 40,000 seats being infield seats, Target Field puts you right where the action is. The open air field and real grass provide an authenticity true baseball fans will appreciate. You'll also find a 360-degree open main concourse that provides constant access to the game, so you'll never miss a play. Target Field is also the second LEED® Silver Certified ballpark in the country, meaning that it's a healthy, efficient, carbon and cost-saving green venue.



## THE UNIVERSITY OF MINNESOTA



The University of Minnesota stretches across a major city – or two, to be exact. Minneapolis and St. Paul, known as the Twin Cities, are frequently recognized for sports, cleanliness and volunteerism. The school has a campus in each city, though the Minneapolis site is considered the main campus of the University of Minnesota, Twin Cities. Freshmen do not have to live on campus, but the more than 80% who choose to can opt to live in traditional residence halls or one of more than two dozen Living Learning communities, such as the Healthy Foods, Healthy Lives House and La Casa De Español. Also on campus are more than 600 student organizations, including more than 30 fraternities and sororities. The Minnesota Golden Gophers compete in the NCAA Division I Big Ten Conference, and all athletic events are held in the Minneapolis campus's Stadium Village neighborhood. Goldy Gopher, the school mascot, energizes thousands of student fans as they chant “Ski-U-Mah,” a rally cry that means “Victory UM.” Under the Four-Year Graduation Plan, the university ensures that all necessary classes will be available for students to complete their degrees on time. If courses are not available in an undergraduate’s four years of schooling, the university will pay for the extra credits.

**#62**

**IN NATIONAL UNIVERSITIES**

U.S. News, 2023

**#9**

**BEST CHEMICAL ENGINEERING PROGRAM**

U.S. News, 2023

**#15**

**NURSING PROGRAM**

U.S. News, 2023



## 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 **4021 Benjamin Dr, Woodbury, MN 55129** (“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.

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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.

**Net Lease Disclaimer** – There are many different types of leases, including gross, net, single net (“N”), double net (“NN”), and triple net (“NNN”) leases. The distinctions between different types of leases or within the same type of leases, such as “Bondable NNN,” “Absolute NNN,” “True NNN,” or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant’s respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers’ particular needs.



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City's Edge  
DENTAL CARE

**HEARTLAND DENTAL**

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