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**SENIOR HOUSING
DEVELOPMENT**
**72-UNIT SENIOR
LIVING CENTER**

OFFERING MEMORANDUM



HEARTLAND DENTAL
MCDONOUGH (ATLANTA MSA), GA

Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

OFFERING SUMMARY

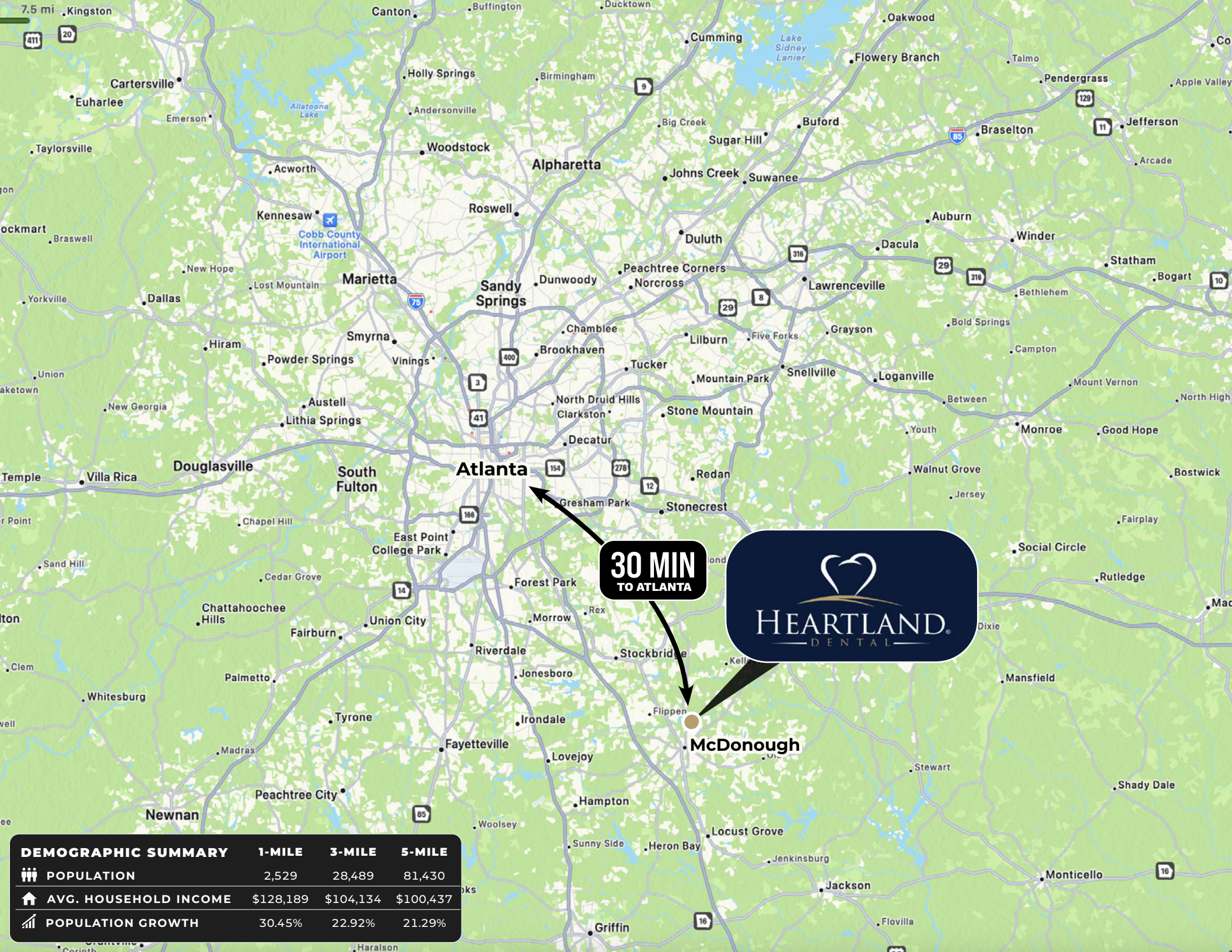





3420 HIGHWAY 155 NORTH, MCDONOUGH, GA 30252

PRICE	\$3,590,000		
CAP RATE	5.85%		
NOI	\$210,000		
RENTABLE SQ FT.	4,260		
YEAR BUILT	2023		
LOT SIZE	1.2 AC		
TENANT TRADE NAME	Heartland Dental		
LEASE GUARANTOR	Corporate (1,700+ Locations)		
LEASE TYPE	Fee Simple		
ROOF & STRUCTURE	Landlord		
RENT COMMENCEMENT DATE	December 2023		
LEASE EXPIRATION DATE	December 2033		
TERM REMAINING ON LEASE	9.5 Years		
INCREASES	10% Increases Every 5 Years in the initial lease and options		
OPTIONS	4, 5-Year Options		
BASE RENT	Years	1-5	\$210,000
	Years	6-10	\$231,000
OPTION RENT	Years	11-15 (Option 1)	\$254,100
	Years	16-20 (Option 2)	\$279,510
	Years	21-25 (Option 3)	\$307,461
	Years	26-30 (Option 4)	\$338,207
TENANT RESPONSIBILITIES	Parking Lot, HVAC, Taxes, Insurance, Utilities		
LANDLORD RESPONSIBILITIES	Roof Replacement & Structure		



RENT SCHEDULE		NOI	RETURN
YEARS 1-5		\$210,000	5.85%
YEARS 6-10		\$231,000	6.43%
YEARS 11-15	(OPTION 1)	\$254,100	7.08%
YEARS 16-20	(OPTION 2)	\$279,510	7.79%
YEARS 21-25	(OPTION 3)	\$307,461	8.56%
YEARS 26-30	(OPTION 4)	\$338,207	9.42%



Demographic Summary		1-Mile	3-Mile	5-Mile
 Population		2,529	28,489	81,430
 Avg. Household Income		\$128,189	\$104,134	\$100,437
 Population Growth		30.45%	22.92%	21.29%

INVESTMENT HIGHLIGHTS

OUTPARCEL TO TOP PERFORMING PUBLIX SHOPPING CENTER

- The subject property is an outparcel to a new 66,387 SF Publix Anchored Shopping Center that opened in 2022.
- The Publix ranks in the top 83% among all Publix locations nationwide and supports over 856,600 customers each year.
- Additional outparcels in the center include Wendy's, Tidal Wave Auto Spa, UPS, and multiple restaurants.
- The shopping center is located at the signalized intersection of Highway 155 and Kelley Town Road which sees a combined 25,000 vehicles per day.
- A new construction 72-unit senior housing project is under development adjacent to this shopping center and is projected to deliver at the end of 2024.

HIGH GROWTH AFFLUENT ATLANTA SUBURB

- McDonough is an affluent high growth suburb of Atlanta located 30 miles south of downtown Atlanta on Interstate 75 (181,000 VPD)
- McDonough is the county seat of Henry County which is one of the fastest growing counties in the entire U.S.
- The 5 mile population from the subject property is 81,430 with over 21% growth. The 5 mile average household income is \$100,437.

ATLANTA

- Atlanta is the hub and economic engine of the Southeast, which is the fastest-growing region in the U.S.
- Atlanta is home to multiple Fortune 500 companies including the Coca-Cola Company, Home Depot, Delta Air Lines, and more.
- Home to multiple colleges and universities including Georgia State (32,082 Students), Georgia Institute of Technology (26,839 Students), and Emory University (14,769 Students).
- Atlanta is also home to the busiest airport in the world, Hartsfield-Jackson Atlanta International Airport, which handles more than 100 million passengers per year.

HEARTLAND DENTAL | 1,700 LOCATIONS

- Heartland Dental is the largest dental support organization in the U.S. with more than 1,700 offices in 38 states and over 2,800 doctors.
- In 2023, Heartland Dental opened 94 practices with plans to open over 1,130 additional locations in the future.
- Heartland Dental is majority owned by KKR, the largest global investment company in the world with over \$496M under management.

10 YEAR CORPORATE LEASE WITH 10% RENT INCREASES

- The subject property has over 9.5 years remaining on a 10-year NN corporate guaranteed lease with 10% rent increases every 5 years in the initial term and in each of the four, 5-year option periods.
- The landlord has limited responsibilities which only include Roof Replacement and Structure.
- The Tenant is responsible for roof repairs, common area expenses, HVAC, taxes, insurance, and utilities.

TENANT SUMMARY



SUBJECT PROPERTY



1,700
DENTAL
OFFICES

38
STATES

\$1.2 B
REVENUE
(2023)

2,800
DOCTORS

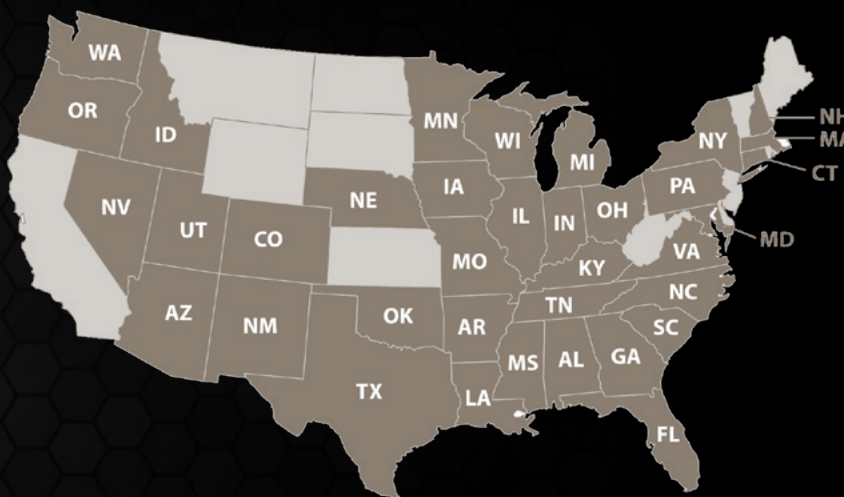
1997
FOUNDED

EFFINGHAM, IL
FOUNDED

Heartland Dental, the nation's largest dental support organization, experienced record growth in 2023, now supporting over 2,800 doctors across 1,700+ offices in 38 states and DC. The company added 94 new state-of-the-art dental practices and 33 leading dental practices through affiliations, enhancing access to dental care with over 1,130 new operatories. It launched Heartland Dental University for extensive clinical and leadership training and rolled out cutting-edge AI technology through VideaAI in collaboration with Henry Schein One. Looking ahead to 2024, Heartland Dental aims to open 90+ new practices, expand into Utah, and increase affiliations.

Heartland Dental Celebrates Record New Construction, Affiliation Growth, and Technology Enhancements in 2023

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YOUR PIE
Scrambled **ups**

HEARTLAND
DENTAL

**SENIOR HOUSING
DEVELOPMENT**

**72-UNIT SENIOR
LIVING CENTER**

**TIDAL
WAVE**
AUTO SPA
FUTURE

 **Kelleytown Rd**
6,160 VPD

 **GA-155**
17,500 VPD



Luella MS
870 students

Luella HS
1,373 students

75 165,000 VPD

Piedmont Henry



42 16,600 VPD



Woodland MS
705 students

Woodland HS
1,334 students

MCDONOUGH

20

155

Union Grove HS
1,648 students

East Lake ES
710 students

Pleasant Grove ES
472 students



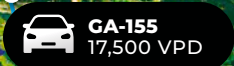
ATLANTA



CONYERS



MCDONOUGH



SITE PLAN HEARTLAND DENTAL



7 FORTUNE 500 COMPANIES



DELTA



Microsoft

Google



Southern Company



First Data™



Mercedes-Benz



State Farm®



Hartsfield-Jackson
Atlanta International Airport®

BUSIEST AIRPORT
IN THE WORLD



6.1 MILLION

MSA POPULATION

9th Most Populous MSA
in United States

\$400 BILLION

GROSS DOMESTIC PRODUCT

The largest economy in Georgia
10th in United States

\$4.4 BILLION

FILM INDUSTRY

Direct Spending for Atlanta's
Established Film Industry

Atlanta is the hub and economic engine of the Southeast, which is the fastest growing region in the U.S. The city's thriving economy and job base, coupled with its high quality and low cost of living, make it an ideal destination to draw young and educated talent from all parts of the country. Diversified investments from corporations, as well as state and local governments, make Atlanta

an ideal place to conduct business. Currently there are 18 Fortune 500 companies that call Atlanta home, which include the recently relocated Mercedes-Benz and State Farm Insurance headquarters. Bolstering the city's economic appeal, Atlanta is also home to the busiest airport in the world, Hartsfield-Jackson Atlanta International Airport, which handles more than 75 million passengers per year.

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Marcus & Millichap

TAYLOR MCMINN

RETAIL GROUP

Dated:

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Atlanta, GA 30328

Phone: (678) 808-2762
Fax: (815) 550-1286
don.mcminn@marcusmillichap.com

Re: 3420 GA-155 N, McDonough, GA 30252 (Kelleytown Dental Care)

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

Purchaser _____

**Purchaser's
Address** _____

**Purchaser's
Phone/Fax** _____

**Purchaser's
Email Address** _____

Offer Price _____

Earnest Money \$50,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$50,000 deposited at the expiration of the Inspection Period (\$100,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

Inspection Period 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials _____ Seller's Initials _____

Financing Period
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$_____ on terms which are acceptable to Purchaser.

Closing Date

Within 10 Calendar Days after the expiration of the Inspection Period (or Financing Period if applicable).

Closing Costs

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

Property Condition

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

Contract within 10 days:

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

Broker Commission

Purchaser acknowledges that Purchaser has employed _____, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

1031 Exchange

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$_____ in an exchange account from a transaction which closed escrow on _____. Purchaser will provide Seller, upon request, proof of such funds.

Confidentiality

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation

Purchaser's Initials _____ Seller's Initials _____

(written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

Agreed and Accepted | Purchaser

By: _____

Printed: _____

Dated: _____

Agreed and Accepted | Seller

By: _____

Printed: _____

Dated: _____