



VetSelect Animal Hospital of Dearborn

3225 S Telegraph Rd | Dearborn, MI 48124

\$514,286

PRICE

7.00%

CAP RATE

2% ANNUAL

RENTAL INCREASES

±7,900 SF

GLA

OFFERING MEMORANDUM

CONTENTS

03 EXECUTIVE OVERVIEW

08 FINANCIAL OVERVIEW

10 TENANT OVERVIEW

12 AREA OVERVIEW

LISTED BY:

KIRBY HAYES

Associate

D: (512) 535-5310

M: (512) 810-0293

E: kirby.hayes@matthews.com

License No. 755222 (TX)

ANDREW EVANS

Senior Associate

D: (949) 662-2256

M: (925) 360-0277

E: andrew.evans@matthews.com

License No. 02055475 (CA)

RAHUL CHHAJED

VP & Senior Director

D: (949) 432-4513

M: (818) 434-1106

E: rahul.chhajed@matthews.com

License No. 01986299 (CA)

MICHAEL MORENO

VP & Senior Director

D: (949) 432-4511

M: (818) 522-4497

E: michael.moreno@matthews.com

License No. 01982943 (CA)

KYLE MATTHEWS

Broker of Record

License No. 6505399495 (MI)





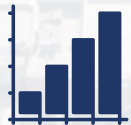
LIST PRICE

\$514,286



TOTAL NOI

\$36,000



CAP RATE

7.00%



GLA

±7,900 SF

PROPERTY & LEASE HIGHLIGHTS

- **Very Passive Lease Structure** – This investment offers a potential investor a passive investment with minimal landlord responsibilities for both local and national investors
- **Below Market Rent** – Tenant is paying only \$4.55 / square foot in rent, leaving potential upside for investors through rent growth in the area
- **Inflation-Protected Lease Structure** – Attractive 2% annual rental increases are built in throughout the base term and option periods, which provides investors a safeguard against inflation
- **Practice Acquired by National Veterinary Operator** – The VetSelect Animal Hospital of Dearborn was acquired by VetCor, Inc. (430+ Locations), because of the site's strong, successful performance
- **Tenant Investment in Location** – Veterinary Clinics rarely relocate due to difficulty retaining the same patients in a new location, and high costs of moving
- **E-Commerce & Recession-Resistant Property** – Veterinary properties are extremely sought-after investments for their resistance to downturns in the economy and e-commerce trends that affect traditional retail properties

LOCATION HIGHLIGHTS

- **Largest City in Michigan** – Subject property located in the Detroit MSA. The Detroit MSA is home to over 4.3 million residents and is the largest in the state.
- **Robust Demographics** – The asset caters to over 288,000 residents within a 5-mile radius who boasts an average household income of over \$70,000
- **Strong Real Estate Fundamentals** – The subject property benefits from being well-positioned in a dense consumer corridor. Nearby national tenants include Arby's, White Castle, Hyundai, Dunkin', Chuck E. Cheese, Holiday Inn, Red Roof Inn, Domino's Pizza, Papa John's Pizza, McDonald's, Taco Bell, and KFC.

TENANT HIGHLIGHTS

- **Extremely Insulated to Economic Downturns** – Pet Care spending grew during the past two economic downturns and recessions. Spending grew 29% during the 2001 Economic Recession and grew 17% during the 2008 recession.
- **Private Equity Investment in Tenant** – Private Equity investment in VetCor by Harvest Partners and Cressey & Company provides a large private equity backing with a strong growth outlook
- **Streamlined Expansion** – VetCor expands by acquiring existing veterinary practices that are already successful and established within the community. This allows them to grow their footprint across new markets and states
- **Robust Industry Growth** – The global veterinary services market size is expected to reach \$142 billion by 2025 with a CAGR of 5.6% during that period





DUNKIN'



NORETTA DUNWORTH
SCHOOL OF DANCE



SUBJECT
PROPERTY



± 29,000 VPD



WESTBORN MALLZ SHOPPING CENTER



- CVS PHARMACY
- DEARBORN BULK FOODS
- DOLLAR TREE
- H&R BLOCK
- HONG KONG
- PNC BANK
- RED OLIVE RESTAURANT
- SUN NAILS & SPA
- USPS



± 29,000 VPD

SUBJECT PROPERTY



NORETTA DUNWORTH
SCHOOL OF DANCE

FINANCIAL OVERVIEW

SECTION
02



INVESTMENT SUMMARY

List Price	\$514,286
NOI	\$36,000
CAP Rate	7.00%
Price/SF	\$65.10
GLA	±7,900 SF
Lot Size	±0.34 Acres (±14,985 SF)
Year Built	1950

TENANT SUMMARY

Tenant Name	VetCor
Type of Ownership	Fee Simple
Lease Type	NNN
Original Lease Term	5 Years
Lease Commencement Date	June 23rd, 2021
Lease Expiration Date	June 22nd, 2026
Term Remaining	±5.05 Years
Increases	2% Annual Increases
Options	Two (2) Five (5) Year Options
Landscaping	Professional
Topography	Generally Level

ANNUALIZED OPERATING DATA

	LEASE YEARS	MONTHLY RENT	ANNUAL RENT	CAP RATE
	6/23/2021 - 6/22/2022	\$3,000.00	\$36,000.00	7.00%
	6/23/2022 - 6/22/2023	\$3,060.00	\$36,720.00	7.14%
	6/23/2023 - 6/22/2024	\$3,121.20	\$37,454.40	7.28%
	6/23/2024 - 6/22/2025	\$3,183.62	\$38,203.49	7.43%
Option 1	6/23/2025 - 6/22/2026	\$3,247.30	\$38,967.56	7.58%
	6/23/2026 - 6/22/2027	\$3,312.24	\$39,746.91	7.73%
	6/23/2027 - 6/22/2028	\$3,378.49	\$40,541.85	7.88%
	6/23/2028 - 6/22/2029	\$3,446.06	\$41,352.68	8.04%
	6/23/2029 - 6/22/2030	\$3,514.98	\$42,179.74	8.20%
Option 2	6/23/2030 - 6/22/2031	\$3,585.28	\$43,023.33	8.37%
	6/23/2031 - 6/22/2032	\$3,656.98	\$43,883.80	8.53%
	6/23/2032 - 6/22/2033	\$3,730.12	\$44,761.48	8.70%
	6/23/2033 - 6/22/2034	\$3,804.73	\$45,656.70	8.88%
	6/23/2034 - 6/22/2035	\$3,880.82	\$46,569.84	9.06%
	6/23/2035 - 6/22/2036	\$3,958.44	\$47,501.24	9.24%

DEBT QUOTE

Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

LTV: 65%
Rate: 3.95%
Amortization: 25

PATRICK FLANAGAN
 (214) 550-0277
 patrick.flanagan@matthews.com

TENANT OVERVIEW

SECTION
03





WEBSITE

WWW.VETCOR.COM

LOCATIONS

±430 LOCATIONS

YEAR FOUNDED

1997

VETCOR

Since 1997, VetCor has built a helpful, enjoyable, community-oriented veterinary care network designed to support the wonderful people who work hard to take care of pets. From their very first partner practice in Riverside, Rhode Island, to their 350th practice in Kinsman, Ohio, and all of the future practices who join the VetCor family, VetCor remains firmly committed to preserving community-based, locally managed veterinary practices and making life better for the passionate people who work at them.

Through benefiting from facility renovations and equipment updates to enjoying service additions and collaborating with colleagues from around the country, VetCor practices get the most out of the network while staying true to themselves and their community. All of the practices have a shared goal of providing excellent care and service to both their patients and clients.

VetCor team members follow their passion for pet care without sacrificing their work-life balance. As an organization devoted to active learning and elevating wellbeing, they do the right thing for their teams by providing them with long-term stability, wellness initiatives, and opportunities for continuing education and career growth.

VetCor has a solid history and a bright future. They are proud of everything they have achieved together and look forward to making life better for the employees, patients, and clients for many years to come.

AREA OVERVIEW

SECTION
04

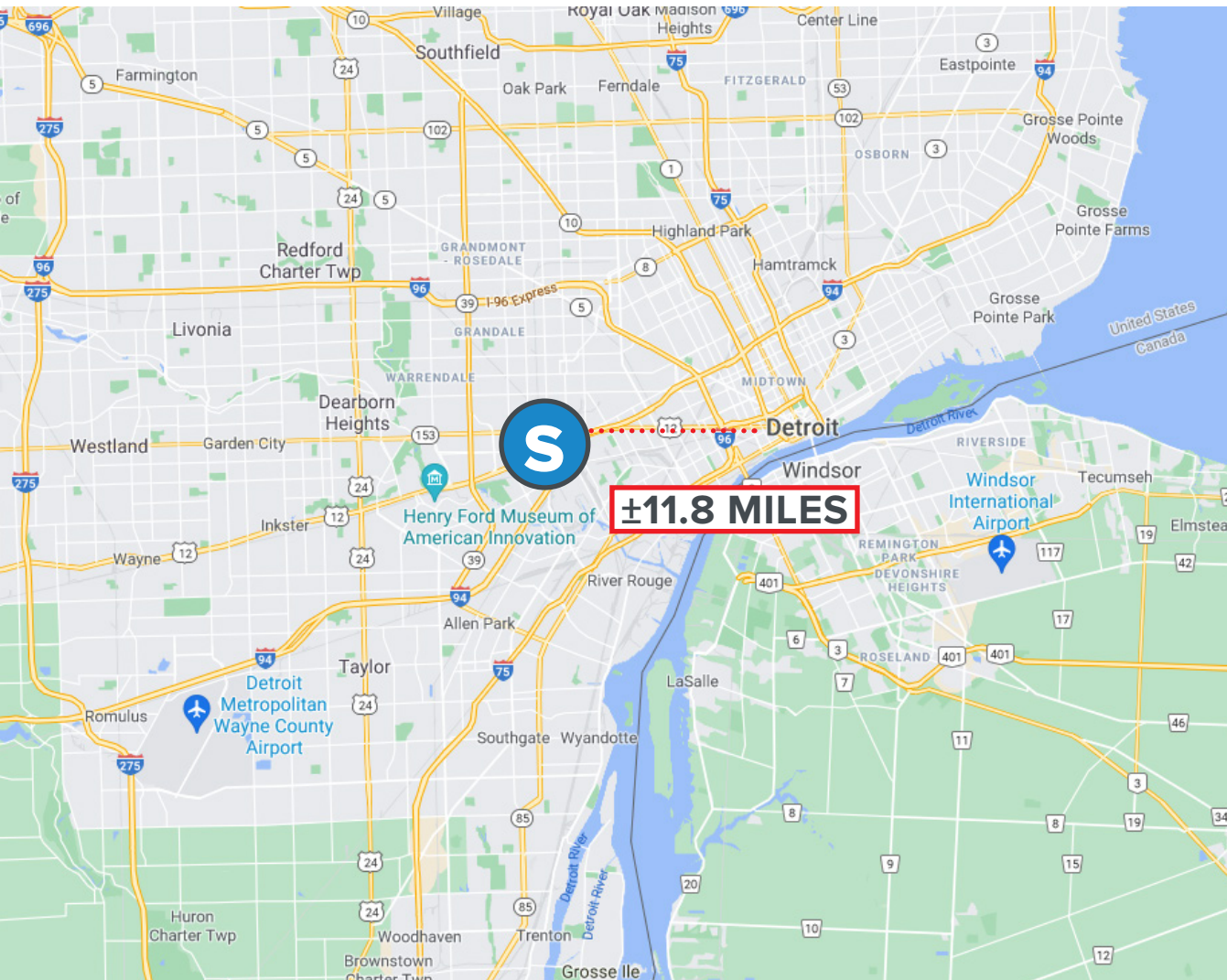


DEARBORN, MICHIGAN

Dearborn is a city in the State of Michigan. It is located in Wayne County and is part of the Detroit metropolitan area. Dearborn is the eighth largest city in the State of Michigan. In the 20th century, it developed as a major manufacturing hub for the automotive industry. Henry Ford was born in Dearborn and later established an estate in Dearborn, as well as his River Rouge Complex, the largest factory of his Ford empire. He developed mass production of automobiles, and based the world headquarters of the Ford Motor Company in Dearborn. The city has a campus of the University of Michigan as well as Henry Ford College. The Henry Ford, the United States' largest indoor-outdoor historic museum complex and Metro Detroit's leading tourist attraction, is located in Dearborn.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2026 Projection	15,257	108,379	282,774
2021 Estimate	15,425	109,196	285,016
2010 Census	16,393	114,435	297,442
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2026 Projection	6,505	43,489	112,257
2021 Estimate	6,539	43,595	112,564
2010 Census	6,927	45,361	116,747
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
Average HH Income	\$65,996	\$73,056	\$70,388



ECONOMY

Ford Motor Company has its world headquarters in Dearborn. In addition its Dearborn campus contains many research, testing, finance, and some production facilities. Ford Land controls the numerous properties owned by Ford, including sales and leasing to unrelated businesses, such as the Fairlane Town Center shopping mall. DFCU Financial, the largest credit union in Michigan, was created for Ford and related companies' employees.

One of the largest employers in Dearborn is Oakwood Healthcare System. Other major employers include auto suppliers like Visteon, education facilities such as Henry Ford Community College, and museums such as The Henry Ford. Other businesses headquartered in Dearborn include Carhartt

#5 IN BEST PLACES TO LIVE IN MICHIGAN (U.S. NEWS AND WORLD REPORT, 2021)

NEARLY 1,300 FOREIGN COMPANIES FROM OVER 38 COUNTRIES EMPLOY MORE THAN 150,000 PEOPLE IN THE DETROIT REGION.



DETROIT, MI

Detroit is the largest and most populous city in the U.S. state of Michigan, the largest city on the United States–Canada border, and the seat of Wayne County. The city of Detroit has a population of 674,841, making it the 26th-most populous city in the United States. The metropolitan area, known as Metro Detroit, is home to over 4.3 million people, making it the second-largest in the Midwest after the Chicago metropolitan area. Regarded as a major cultural center, Detroit is known for its contributions to music and as a repository for art, architecture, and design.

Detroit is a major port located on the Detroit River, one of the four major straits that connect the Great Lakes system to the Saint Lawrence Seaway. The Detroit Metropolitan Airport is among the most important hubs in the United States. The City of Detroit anchors the third-largest regional economy in the Midwest, behind Chicago and Minneapolis–Saint Paul, and the 17th largest in the United States. Detroit and its neighboring Canadian city Windsor are connected through a tunnel and the Ambassador Bridge, the busiest international crossing in North America. Detroit is best known as the center of the U.S. automobile industry, and the “Big Three” auto manufacturers General Motors, Ford, and Chrysler are all headquartered in Metro Detroit.

DETROIT, MI ECONOMY

While Detroit is the world's epicenter of mobility and advanced transportation solutions, today's Detroit is so much more than just Motor City. With a diverse offering of competitive advantages, Detroit is a smart choice for businesses looking to expand, relocate, and invest.

Detroit offers a suite of incentive programs designed to help businesses thrive with a talented workforce, innovative educational institutions, successful private/public partnerships attracting international attention, and affordable, unique real estate.

Within Detroit beats the heart of a major metropolitan city featuring a thriving downtown district and vibrant neighborhood communities. Detroit has world-class hospital systems and rich history of art, theater, music, and culture.



DETROIT, MI TOURISM

Tourism in Detroit, Michigan is a significant factor for the region's culture and economy, comprising nine percent of the area's two million jobs. About 15.9 million people visit Metro Detroit annually, spending an estimated \$4.8 billion. Detroit is one of the largest American cities and metropolitan regions to offer casino resort hotels. Leading multiday events throughout Metro Detroit attract super-sized crowds of hundreds of thousands to over three million people. More than fifteen million people cross the highly traveled nexus of the Ambassador Bridge and the Detroit-Windsor Tunnel annually. Detroit is at the center of an emerging Great Lakes Megalopolis. An estimated 46 million people live within a 300-mile radius of Metro Detroit.

Detroit's unique culture, distinctive architecture, and revitalization and urban renewal efforts in the 21st century have given Detroit increased prominence as a tourist destination in recent years



FORD FIELD

Located in downtown Detroit, Ford Field is the home of the Detroit Lions. The football stadium has a seating capacity of approximately 65,000 people, but is expandable up to 70,000 seats for football fans and up to 80,000 seats for basketball fans.



COMERICA PARK

Located in downtown Detroit, Comerica Park is the home of the Detroit Tigers. The ballpark has a seating capacity of over 41,000 people.



LITTLE CAESARS ARENA

Located in Midtown Detroit, Little Caesars Arena is a mixed-use arena. It is the home of the Detroit Pistons and the Detroit Red Wings. The arena has a seating capacity of around 20,000 people for sporting events and around 22,000 people for concerts.

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **VetSelect Animal Hospital of Dearborn** located at **3225 S Telegraph Road | Dearborn, MI 48124** (“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. 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 detrimental to the interest of the Seller.

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 corporation’s logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

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 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.

VetSelect Animal Hospital of Dearborn

3225 S Telegraph Rd | Dearborn, MI 48124

OFFERING MEMORANDUM

LISTED BY:

KIRBY HAYES

Associate

D: (512) 535-5310

M: (512) 810-0293

E: kirby.hayes@matthews.com

License No. 755222 (TX)

ANDREW EVANS

Senior Associate

D: (949) 662-2256

M: (925) 360-0277

E: andrew.evans@matthews.com

License No. 02055475 (CA)

RAHUL CHHAJED

VP & Senior Director

D: (949) 432-4513

M: (818) 434-1106

E: rahul.chhajed@matthews.com

License No. 01986299 (CA)

MICHAEL MORENO

VP & Senior Director

D: (949) 432-4511

M: (818) 522-4497

E: michael.moreno@matthews.com

License No. 01982943 (CA)

KYLE MATTHEWS

Broker of Record

License No. 6505399495 (MI)