



FIVE STAR URGENT CARE | ASPEN DENTAL

OSWEGO, NY

OFFERING MEMORANDUM

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present this brand-new construction two-tenant asset featuring Aspen Dental and Five Star Urgent Care in Oswego, New York, located 35 miles northwest of Syracuse. Both tenants are operating under net leases fully reimbursing for real estate taxes, insurance, and common area maintenance, plus a management fee. Both tenants signed 10-year leases with 10 percent rent increases every five years. The leases are both corporately guaranteed. Aspen Dental Management, Incorporated (Inc) operates more than 600 units nationwide. Five Star Urgent Care is guaranteed by Aspen Dental's Urgent Care arm, ASP UC Support, Limited Liability Company (LLC). ASP UC Support is currently a 13-unit entity with 16 units under development in Western New York.

The subject property is centrally located within Oswego on a signalized hard corner. The intersection of East 1st Street and East Utica Street is a heavily trafficked thoroughfare with more than 17,000 vehicles per day (VPD). This retail center is less than two miles east of Oswego High School and State University of New York (SUNY) Oswego. Combined these schools have more than 9,000 students enrolled.

Aspen Dental and Five Star also benefits from strong demographics. Within the one-mile radius, there are more than 15,000 residents. Additional retailers in the immediate vicinity include: NAPA Auto Parts, Price Chopper, Walmart, Lowe's, Tractor Supply, Wendy's, Burger King, Rite Aid, McDonald's, Dollar General, Planet Fitness, and many more.



- Brand New Construction Aspen Dental and Five Star Urgent Care in Oswego, New York | 35 Miles Northwest of Syracuse
- Tenants Operating Under Net Leases | Fully Reimbursing for Real Estate Taxes, Insurance, and Common Area Maintenance Plus a Management Fee
- Inflation Hedge | 10 Percent Rent Bumps Every Five Years
- Asset is 100 Percent Backed By Corporate Credit | Aspen Dental Management, Incorporated (Inc) is More Than 600 Units
- Five Star, Aspen Dental's Urgent Care Arm, is Guaranteed By ASP UC Support, Limited Liability Company (LLC) Which is Currently a 13-Unit Entity | 16 Units Under Development
- Central Location Within Oswego | Signalized Hard Corner Location at the Intersection of East 1st Street and East Utica Street | More than 17,000 Vehicles Per Day (VPD)
- Less Than Two Miles East of Oswego High School and State University of New York (SUNY) Oswego | More Than 9,000 Students Combined
- East 1st Street and East Utica Street Bus Stop on Corner of Asset | Providing Direct Access to Syracuse | New York Centro Daily Ridership is More Than 50,000 Riders

FINANCIAL OVERVIEW

PRICE:	\$3,000,000
CAP RATE:	6.70%
NOI:	\$200,900
PRICE PER SQUARE FOOT:	\$461.54
RENT PER SQUARE FOOT:	\$30.91
YEAR BUILT:	2017
APPROXIMATE LOT SIZE:	2.05 Acres
GROSS LEASEABLE AREA:	6,500
TYPE OF OWNERSHIP:	Fee Simple



Tenant	Guarantor	GLA	Lease Commencement	Lease Expiration	Term Remaining	Annual Rent	Rent (PSF)	Increases	Lease Type	Options
ASPEN DENTAL	Aspen Dental Management, Incorporated (Inc)	3,500	1/29/2018	1/31/2028	10 Years	\$110,250	\$31.50	10% Every 5 Years	NN	3, 5-Year
FIVE STAR URGENT CARE	ASP UC Support, Limited Liability Company (LLC)	3,000	1/29/2018	1/31/2028	10 Years	\$90,000	\$30.00	10% Every 5 Years	NN	3, 5-Year
	Total	6,500				\$200,250				

TENANT SUMMARY



	ASPEN DENTAL	FIVE STAR URGENT CARE	TOTAL
GLA	3,500	3,000	6,500
Pro Rata Share	53.85%	46.15%	100.00%
Controllable CAM Cap*	5.00%	5.00%	
Mgmt Fee (Recovery)	5.00%	5.00%	
BASE RENT	\$110,250	\$90,000	\$200,250
EXPENSE REIMBURSEMENTS			
Real Estate Taxes	\$14,000	\$12,000	\$26,000
Insurance	\$1,400	\$1,200	\$2,600
CAM	\$7,000	\$6,000	\$13,000
Management Fee	\$350	\$300	\$650
Total Expense Reimbursements	\$22,750	\$19,500	\$42,250
Effective Gross Income	\$133,000	\$109,500	\$242,500
EXPENSES*			
Real Estate Taxes	\$14,000	\$12,000	\$26,000
Insurance	\$1,400	\$1,200	\$2,600
CAM	\$7,000	\$6,000	\$13,000
TOTAL EXPENSES	\$22,400	\$19,200	\$41,600
NET OPERATING INCOME	\$110,600	\$90,300	\$200,900

*All expenses and reimbursements are based off First Year Lease Estimates. Controllable CAM Expenses cannot increase more than 5% over prior year Controllable CAM Expenses. Controllable CAM is all CAM Expenses except ice/snow removal and common area utilities. There is no cap on Uncontrollable CAM Expenses - ice/snow removal and common area utilities.

TENANT OVERVIEW

FIVE STAR URGENT CARE



Five Star Urgent Care was founded in Big Flats, New York in 2012 by Dr. John Radford, a former hospital emergency room doctor. In 2014, Five Star Urgent Care expanded to six locations. That same year the company began offering patients the unique ability to view, in real-time, wait times for all of its six facilities on its website.

In 2016, Five Star Urgent Care opened another location in Liverpool, New York. The Liverpool location differs from Five Star's other locations because it offers specialized pediatric urgent care in addition to the normal urgent care services. In 2017, Five Star Urgent Care opened seven more locations, with an additional 16 planned for delivery in 2018.

Five Star Urgent Care knows how valuable quick, convenient and reliable medical care is. They treat non-life-threatening ailments and injuries, from bronchitis to lacerations and everything in between. The friendly and professional staff at their conveniently located walk-in clinics in Jamestown and throughout Central New York will have you in and out in less than an hour, and you never need an appointment.

Five Star Urgent Care has clean and comfortable waiting areas, which include a computer to access the internet and arcade games. TVs in every patient room to make your short wait time feel even shorter.

After your visit, Five Star will send your prescription to your pharmacy electronically, so it's ready when you arrive to pick it up. Their office will also notify your primary doctor about your visit with them to ensure coordinated care.

TENANT PROFILE

TENANT TRADE NAME	Five Star Urgent Care
OWNERSHIP	Private
TENANT	Five Star Urgent Care
LEASE GUARANTOR	ASP UC Support, Limited Liability Company (LLC)
NUMBER OF LOCATIONS	13 Units (16 Under Development)
HEADQUARTERED	Big Flats, New York

ASPEN DENTAL



Aspen Dental Management, Incorporated (Inc) is a dental support organization that provides non-clinical business support services to independently owned and operated dental practices in 35 states. This can include services and recommendations related to finding the right location, leasing, equipment, accounting and marketing. This model leaves independent, licensed practitioners free to concentrate on patient care.

As one of the largest and fastest-growing networks of independent dental care providers in the U.S., local Aspen Dental practices – nearly 600 of them across 35 states – offer patients a safe, welcoming and judgment-free environment to address their dental challenges. Every Aspen Dental-branded practice offers a full range of dental and denture services – including comprehensive exams, cleanings, extractions, fillings, periodontal treatment, whitening, oral surgery, crown and bridge work – allowing patients to have the peace of mind that they are taken care of and protected, so they can focus on getting the healthy mouth they deserve. In 2015, Aspen Dental-branded practices recorded more than 3.7 million patient visits and welcomed nearly 785,000 new patients.

TENANT PROFILE

TENANT TRADE NAME	Aspen Dental
TENANT	Aspen Dental
LEASE GUARANTOR	Aspen Dental Management, Incorporated
NUMBER OF LOCATIONS	600+
HEADQUARTERED	DeWitt, New York
WEB SITE	www.AspenDental.com



	1-Mile	3-Mile	5-Mile
POPULATION			
2000 Population	15,207	24,336	31,225
2010 Population	15,074	25,079	31,773
2017 Population	14,743	24,703	31,483
2022 Population	14,551	24,417	31,157

	1-Mile	3-Mile	5-Mile
HOUSEHOLDS			
2000 Households	6,232	8,967	11,372
2010 Households	6,330	9,165	11,600
2017 Households	6,200	9,017	11,480
2022 Households	6,119	8,907	11,355

	1-Mile	3-Mile	5-Mile
HOUSEHOLD (HH) INCOMES			
2017 Average HH Income	\$55,552	\$59,866	\$63,492
2017 Median HH Income	\$43,376	\$48,076	\$50,716
2017 Per Capita Income	\$23,362	\$21,852	\$23,152

ABOUT OSWEGO

Oswego, New York is a waterfront community located on the Southeastern shore of Lake Ontario and along the Oswego River. Also known as “The Port City of Central New York”, Oswego is 33 miles northwest of Syracuse, and 125 miles east of Buffalo. The city is conveniently located inside the Syracuse metropolitan area.

Oswego has a wealth of natural beauty, history, and infrastructure, as well as, a committed business community. The community’s unique strengths include its waterfront, historic downtown and neighborhoods, State University of New York (SUNY) Oswego, the Port of Oswego, Oswego Health, Novelis, the energy sector, and its spirited small business base.

Growth in the city has been significant over the past several years due to capital investments in the Port, Novelis, homes and neighborhoods, parks, and mixed-use property redevelopment projects. Together, the waterfront and downtown, with the latter’s potential for revitalization, provide the perfect platform for creating a sense of place, providing the amenities, and offering the lifestyle sought by the creative class.

Governor Andrew M. Cuomo announced in 2016 that Downtown Oswego was selected as the winner of the \$10 million Downtown Revitalization Initiative in Central New York. The Downtown Revitalization Initiative, first laid out in the Governor’s 2016 State of the State address, marks a comprehensive plan to transform local neighborhoods into vibrant communities where the next generation of New Yorkers will want to live and work. The plan aligns with “Central NY Rising” – the region’s successful Upstate Revitalization Initiative blueprint to generate robust economic growth and community development.



FIVE STAR URGENT CARE | ASPEN DENTAL OSWEGO, NY

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