



2015 Construction | Acquired by Kohlberg & Company (\$30 Billion in Transaction Volume)



OFFERING MEMORANDUM  
STURGEON BAY, WISCONSIN (GREEN BAY MSA)

Marcus & Millichap  
THE SULO GROUP

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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**WISCONSIN REALTORS® ASSOCIATION**  
4801 Forest Run Road, Madison, WI 53704

Marcus & Millichap Real Estate  
Effective July 1, 2016

No representation is made as to the legal validity of any provision or the adequacy of any provision in any specific transaction.

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Drafted by Attorney Debra Peterson Conrad

Marcus & Millichap Real Estate Services  
13890 Bishop's Drive Suite 300  
Brookfield, WI 53005

1 Prior to negotiating on your behalf the brokerage firm, or an agent associated with the firm, must provide you the  
2 following disclosure statement:  
3 **DISCLOSURE TO CUSTOMERS** You are a customer of the brokerage firm (hereinafter Firm). The Firm is either an agent  
4 of another party in the transaction or a subagent of another firm that is the agent of another party in the transaction. A  
5 broker or a salesperson acting on behalf of the Firm may provide brokerage services to you. Whenever the Firm is  
6 providing brokerage services to you, the Firm and its brokers and salespersons (hereinafter Agents) owe you, the  
7 customer, the following duties:

- 8 (a) The duty to provide brokerage services to you fairly and honestly.
- 9 (b) The duty to exercise reasonable skill and care in providing brokerage services to you.
- 10 (c) The duty to provide you with accurate information about market conditions within a reasonable time if you request  
11 it, unless disclosure of the information is prohibited by law.
- 12 (d) The duty to disclose to you in writing certain Material Adverse Facts about a property, unless disclosure of the  
13 information is prohibited by law (see lines 42-51).
- 14 (e) The duty to protect your confidentiality. Unless the law requires it, the Firm and its Agents will not disclose your  
15 confidential information or the confidential information of other parties (see lines 23-41).
- 16 (f) The duty to safeguard trust funds and other property held by the Firm or its Agents.
- 17 (g) The duty, when negotiating, to present contract proposals in an objective and unbiased manner and disclose the  
18 advantages and disadvantages of the proposals.

19 Please review this information carefully. An Agent of the Firm can answer your questions about brokerage services,  
20 but if you need legal advice, tax advice, or a professional home inspection, contact an attorney, tax advisor, or home  
21 inspector. This disclosure is required by section 452.135 of the Wisconsin statutes and is for information only. It is a  
22 plain-language summary of the duties owed to a customer under section 452.133(1) of the Wisconsin statutes.

23 **CONFIDENTIALITY NOTICE TO CUSTOMERS** The Firm and its Agents will keep confidential any information given to the  
24 Firm or its Agents in confidence, or any information obtained by the Firm and its Agents that a reasonable person  
25 would want to be kept confidential, unless the information must be disclosed by law or you authorize the Firm to  
26 disclose particular information. The Firm and its Agents shall continue to keep the information confidential after the  
27 Firm is no longer providing brokerage services to you.

28 The following information is required to be disclosed by law:

- 29 1. Material Adverse Facts, as defined in Wis. Stat. § 452.01(5g) (see lines 42-51).
- 30 2. Any facts known by the Firm or its Agents that contradict any information included in a written inspection  
31 report on the property or real estate that is the subject of the transaction.

32 To ensure that the Firm and its Agents are aware of what specific information you consider confidential, you may  
33 list that information below (see lines 35-41) or provide that information to the Firm or its Agents by other means. At a  
34 later time, you may also provide the Firm or its Agents with other Information you consider to be confidential.

35 **CONFIDENTIAL INFORMATION:** \_\_\_\_\_  
36 \_\_\_\_\_  
37 \_\_\_\_\_

38 **NON-CONFIDENTIAL INFORMATION** (The following information may be disclosed by the Firm and its Agents): \_\_\_\_\_  
39 \_\_\_\_\_  
40 \_\_\_\_\_

41 \_\_\_\_\_ (Insert information you authorize to be disclosed, such as financial qualification information.)

## 42 **DEFINITION OF MATERIAL ADVERSE FACTS**

43 A "Material Adverse Fact" is defined in Wis. Stat. § 452.01(5g) as an Adverse Fact that a party indicates is of such  
44 significance, or that is generally recognized by a competent licensee as being of such significance to a reasonable  
45 party, that it affects or would affect the party's decision to enter into a contract or agreement concerning a transaction  
46 or affects or would affect the party's decision about the terms of such a contract or agreement.

47 An "Adverse Fact" is defined in Wis. Stat. § 452.01(1e) as a condition or occurrence that a competent licensee  
48 generally recognizes will significantly and adversely affect the value of the property, significantly reduce the structural  
49 integrity of improvements to real estate, or present a significant health risk to occupants of the property; or information  
50 that indicates that a party to a transaction is not able to or does not intend to meet his or her obligations under a  
51 contract or agreement made concerning the transaction.

52 **NOTICE ABOUT SEX OFFENDER REGISTRY** You may obtain information about the sex offender registry and persons  
53 registered with the registry by contacting the Wisconsin Department of Corrections on the Internet at  
54 <http://www.doc.wi.gov> or by telephone at 608-240-583

# OFFERING SUMMARY

## PROPERTY ADDRESS

**Cadence, Inc.**  
 1425 S Neenah Avenue  
 Sturgeon Bay, WI 54235

### OFFERING SUMMARY

Price:	\$6,379,000
Cap Rate:	7.00%
Net Operating Income:	\$446,507
Building Square Footage:	61,655 Sq Ft
Year Built:	2015
Lot Size:	+/- 7.72 Acres

### LEASE SUMMARY

Tenant:	Cadence WI, Inc.
Guaranty:	Corporate
Rent Commencement:	7/25/2015
Lease Expiration:	7/24/2030
Lease Term:	15 Years
Lease Type:	Double Net
Roof and Structure:	Landlord Responsible
Rental Increases:	0.75% Annual Increases
Renewal Options:	Two, Five-Years
Right of First Refusal:	None

### OPERATING DATA

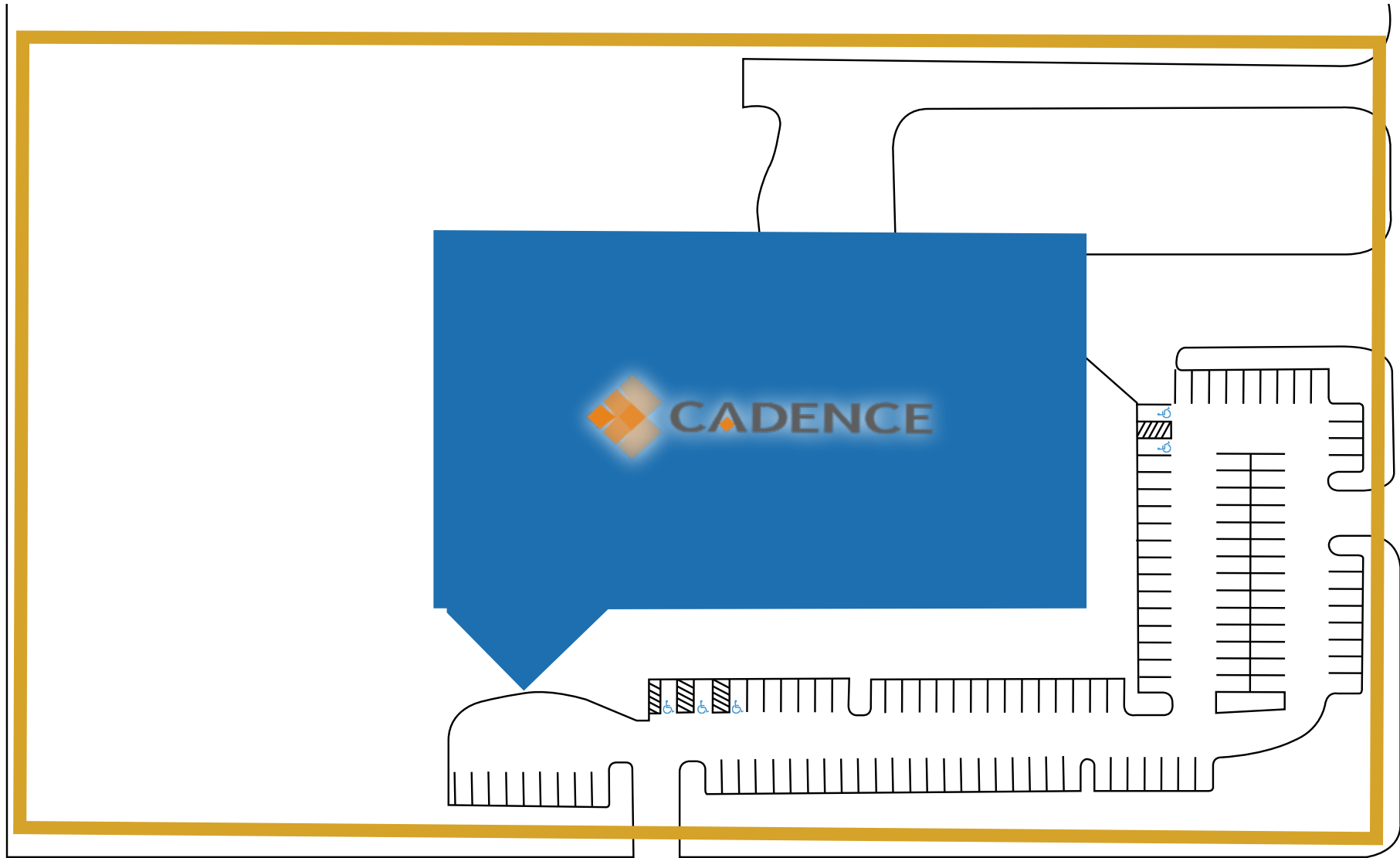
Year	Start Date	End Date	Annual Rent	Cap Rate
10	7/25/2024	7/24/2025	\$446,507	7.00%
11	7/25/2025	7/24/2026	\$449,856	7.05%
12	7/25/2026	7/24/2027	\$453,230	7.11%
13	7/25/2027	7/24/2028	\$456,629	7.16%
14	7/25/2028	7/24/2029	\$460,054	7.21%
15	7/25/2029	7/24/2030	\$463,504	7.27%
16-20 ( <b>Option 1</b> )	7/25/2030	7/24/2035	\$466,981	7.32%
21-25 ( <b>Option 2</b> )	7/25/2035	7/24/2040	\$484,757	7.60%

**Lease Comments:** Annual increases in options

## INVESTMENT HIGHLIGHTS

- **5+ Years Remaining | Corporate Guarantee from Cadence Inc.**
  - The Cadence, Inc lease has over 5 years remaining on its initial 15-year lease term. In addition to the 15-year base lease term, Cadence has two, five-year options to extend. The lease also calls for attractive annual increases in rent.
  - The lease features limited landlord responsibilities with the tenant responsible for real estate taxes, insurance, HVAC, parking lot (Crack sealing, seal coating and paint striping) and any fixtures or equipment therein.
  
- **Acquired by Kohlberg & Company in 2018, a Leading Private Equity Firm with \$30 Billion in Transaction Volume**
  - Kohlberg & Company purchased Cadence, Inc in 2018 and currently owns a total of 26 companies
  - Kohlberg & Company L.L.C. (“Kohlberg”) is a leading private equity firm headquartered in New York. Since its inception in 1987, Kohlberg has organized eight private equity funds, through which it has raised \$11 billion of committed equity capital.
  - Over its 31-year history, Kohlberg has completed 85 platform investments and approximately 200 add-on acquisitions, with an aggregate transaction value in excess of \$30 billion.
  
- **Cadence, Inc - Leading Supplier of Advance Products, Technologies and Services**
  - Cadence, Inc. is ranked among the top companies providing outsourced manufacturing solutions for medical, life science and industrial applications worldwide.
  - As one of the leading surgical manufacturers, the proven success in developing high performance cutting solutions spilled over into the sophisticated medical device market with the continued penetration of MIS (Minimally Invasive Surgery) techniques.
  - Cadence is all about improving product performance and economics. We help develop new products that others cannot, build processes that others will not, and deliver outcomes that simply make the world work better. At the end of the day, we make what matters better by providing advanced products, technologies and services to medical, aerospace, automotive, and industrial companies worldwide.
  - Cadence employs approximately 800 people with headquarters in Staunton, VA and other locations in Connecticut, Florida, Pennsylvania, Rhode Island, Wisconsin, and Costa Rica.
  
- **Located Outside of Green Bay, WI in Highly Traveled Door County**
  - The Green Bay, WI Metropolitan area has a population of 331,882 as of 2023
  - Tourism had an overall impact of \$582 million on Door County’s economy in 2022, up \$51 million (9.7%) over 2021.
  - Door County Attracts over 2.5 Million visitors annually





S Neenah Ave

# AERIAL OVERVIEW



# AERIAL OVERVIEW

## DEMOGRAPHICS

### POPULATION (2023):

3-Mile Radius	10,409
5-Mile Radius	12,675
10-Mile Radius	18,424

### HOUSEHOLD INCOME (AVERAGE):

3-Mile Radius	\$74,137
5-Mile Radius	\$77,800
10-Mile Radius	\$81,961

### Subject Property





## TENANT PROFILE

The business now known as Cadence, Inc. began in 1985 as Specialty Blades to address the needs of companies who required high performance, razor sharp custom-made cutting blades. Cadence is ranked among the top companies providing contract manufacturing solutions. The Cadence reputation as the market expert for improving product performance comes from a commitment to using innovative fabrication technologies.

As one of the leading surgical manufacturers, the proven success in developing high performance cutting solutions spilled over into the sophisticated medical device market with the continued penetration of MIS (Minimally Invasive Surgery) techniques.

In 2011, the three divisions of Cadence (Cadence Science, Incision Tech and Specialty Blades) were combined to create a truly unique partner for the healthcare and life science markets. In 2014, Cadence acquired three operating business units of Plainfield Precision Holdings. The operating units were Plainfield Precision – Sturgeon Bay, WI; Plainfield Precision – Plymouth, MA; and Plainfield Precision – Santo Domingo, Dominican Republic. Cadence employs more than 800+ people.

On May 21, 2018, Kohlberg & Company, a leading private equity firm based in Mount Kisco, New York, acquired Cadence. Kohlberg is a leading U.S. middle market private equity firm based in Mount Kisco, New York. Over the firm's 37-year history, the firm has organized 11 private equity vehicles totaling in aggregate over \$14 billion. Since inception, the firm's private equity investments have generated over \$10 billion in realized returns with no realized losses since Fund VI (2007 vintage).



**Company Type:** Private  
**Location:** Staunton, Virginia (8 facilities across the U.S. and Costa Rica)  
**Website:** <https://www.cadenceinc.com/>

## TENANT PROFILE - NEWS ARTICLE

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### **Cadence Inc. to be acquired by Kohlberg & Company**

Cadence Inc., a leading provider of complex high-precision components and finished devices for advanced surgical and specialty industrial applications, announced today the signing of a definitive agreement to be acquired by Kohlberg & Company, a leading private equity firm based in Mount Kisco, New York.

Alan Connor, Cadence's President & CEO, will continue to lead the Company and its management team will remain in place. "This transaction is a significant milestone in the history of Cadence and a testament to the outstanding team we have assembled. We are proud of what we have achieved as a team and excited about partnering with Kohlberg and writing the next chapter of the company's history together," said Connor.

Cadence is a leading provider of end-to-end design, engineering, and manufacturing services for its customers across the entire product lifecycle. The Company innovates and manufactures highly engineered metal and plastics subassemblies and finished devices for its customer base of leading medical device and specialty industrial companies across the endoscopy, minimally invasive orthopedics, laparoscopy, robotics, life science, and specialty industrial end-markets worldwide.

Backed by the financial strength of Kohlberg's private equity funds, it is expected that the acquisition will accelerate the expansion of Cadence's capabilities and its ability to serve customers in all of their core locations. "We are excited to be partnering with the team at Cadence," commented Roger Prevot, Operating Partner of Kohlberg. "Since its founding in 1985, the Company has cultivated a leading market position by designing and delivering highly technical solutions for its customers. We look forward to working closely with Cadence to accelerate, enhance, and expand its service offering, while supporting the Company's longstanding commitment to providing exceptional service for each of its customers across all market segments."

Full Article: <https://www.cadenceinc.com/news/detail/cadence-inc.-to-be-acquired-by-kohlberg-company>

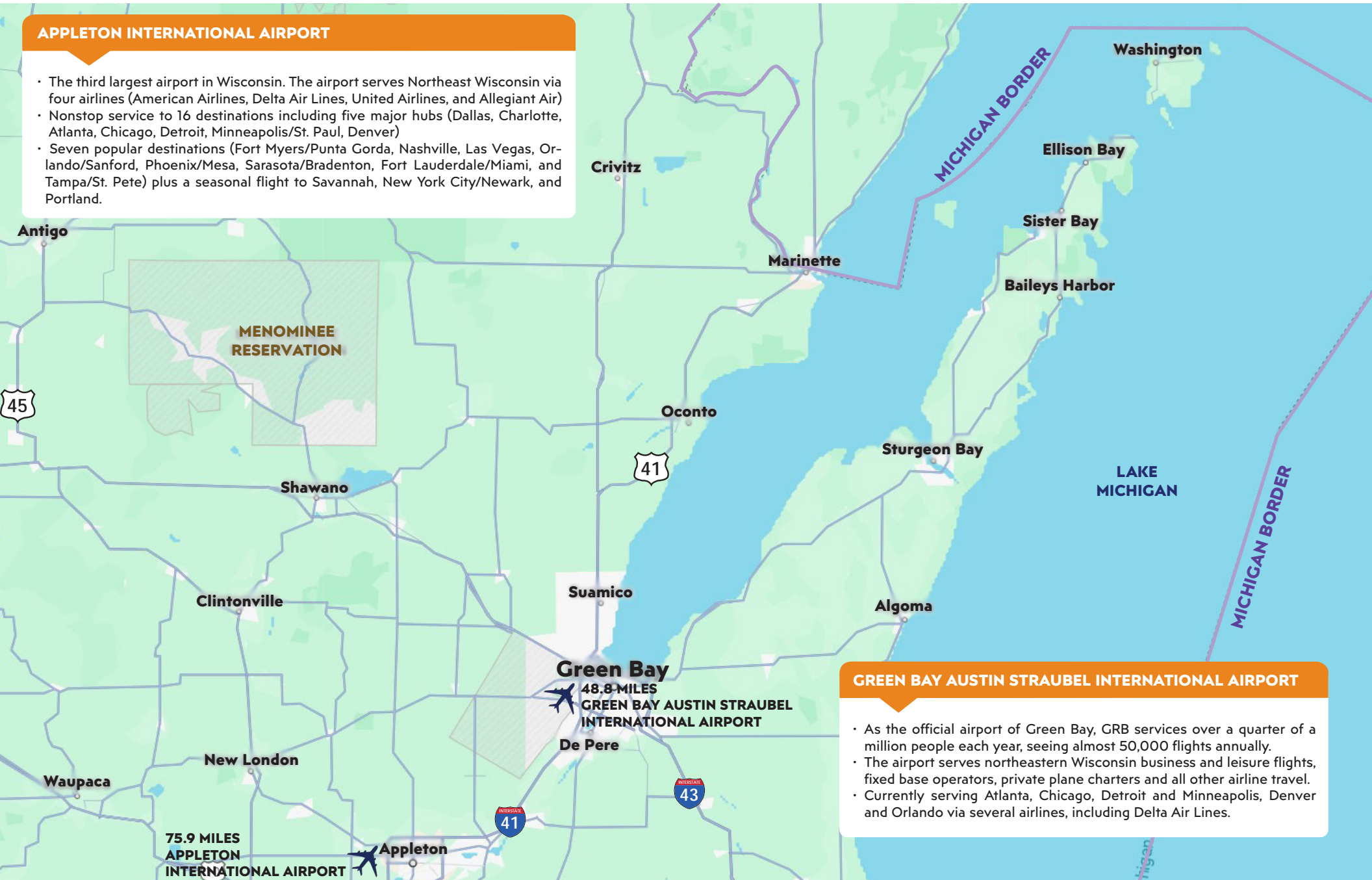
## PROPERTY PHOTOS



# REGIONAL MAP

## APPLETON INTERNATIONAL AIRPORT

- The third largest airport in Wisconsin. The airport serves Northeast Wisconsin via four airlines (American Airlines, Delta Air Lines, United Airlines, and Allegiant Air)
- Nonstop service to 16 destinations including five major hubs (Dallas, Charlotte, Atlanta, Chicago, Detroit, Minneapolis/St. Paul, Denver)
- Seven popular destinations (Fort Myers/Punta Gorda, Nashville, Las Vegas, Orlando/Sanford, Phoenix/Mesa, Sarasota/Bradenton, Fort Lauderdale/Miami, and Tampa/St. Pete) plus a seasonal flight to Savannah, New York City/Newark, and Portland.



## GREEN BAY AUSTIN STRAUBEL INTERNATIONAL AIRPORT

- As the official airport of Green Bay, GRB services over a quarter of a million people each year, seeing almost 50,000 flights annually.
- The airport serves northeastern Wisconsin business and leisure flights, fixed base operators, private plane charters and all other airline travel.
- Currently serving Atlanta, Chicago, Detroit and Minneapolis, Denver and Orlando via several airlines, including Delta Air Lines.

## AREA OVERVIEW

### STURGEON BAY

- The city of Sturgeon Bay is located at the midpoint of the 90-mile long Door Peninsula in Door County. Named for the long, fish-shaped bay it borders, Sturgeon Bay was settled in 1850 when the first house was built along the waterfront.
- Maritime charm and natural beauty meet a blue-collar ethic in Sturgeon Bay, Door County's world-renowned shipbuilding hub.
- From thousand-foot boats and small bass-fishing boats to the acclaimed Door County Maritime Museum, this community's heritage is all about the water.
- Sturgeon Bay offers much more than just views—here lies the heart of the county's music and arts scenes, world-class parks, historic shopping districts, and countless dining options ranging from supper clubs to hole-in-the-wall pubs and cozy coffee shops.
- Sturgeon Bay is a fisherman's mecca, with some of the best bass fishing in the world.
- Tour a restored tug, visit the phenomenal Door County Maritime Museum, learn the history of Door County, stroll down historic 3rd Avenue, or step into nature at Potawatomi State Park on the city's edge.
- The dining and drinking scene is as diverse as they come, with fine dining in historic landmarks, sushi, ethnic restaurants, healthy kitchens, greasy spoons, and everything in between.
- One constant is the imprint of the city's nautical past, represented in the art, on its menus, and in the names of the establishments that make Sturgeon Bay an authentic representation of small-town America.

### GREEN BAY

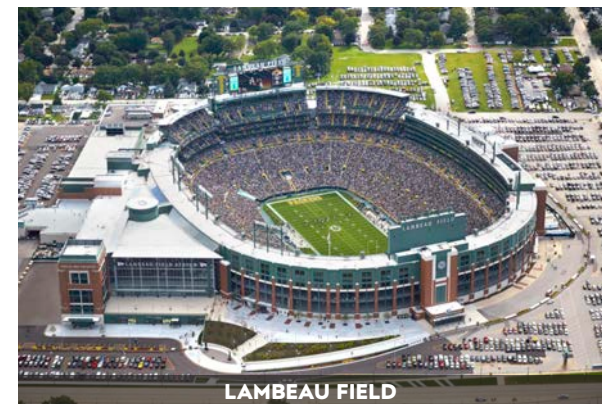
- Home to the Green Bay Packers and Lambeau Field, the Green Bay/Fox Valley market is a combination of Brown, Outagamie, Winnebago and Fond du Lac counties.
- The region begins roughly 70 miles northwest of Milwaukee and extends north to Green Bay on Lake Michigan.
- Green Bay is the largest city in the market, with a population of roughly 104,000 people. Appleton and Oshkosh-Neenah also have more than 65,000 residents each.
- The region has a diverse and skilled workforce, filling positions in the manufacturing, agriculture, transportation, education and health industries.
- Health care-related companies comprise the metro's largest employment sector. Top providers include The daCare, Humana, UnitedHealthcare and Affinity Health System.
- Several manufacturers are in the area, including Procter & Gamble, R.R. Donnelley, Fox Valley Metal Tech, Kimberly-Clark Corp., Pierce Manufacturing and Plexus Services Corp.
- Known for its cheese production, agriculture and agribusiness contribute significantly to the region, with a multibillion-dollar economic impact every year. Dairy is the largest revenue source in the sector. Sargento and BelGioioso Cheese are among the handful of cheese manufacturers in the area.



POTAWATOMI STATE PARK



UNIVERSITY OF WISCONSIN-GREEN BAY




LAMBEAU FIELD

# DEMOGRAPHICS

<b>POPULATION</b>	<b>3-MILE</b>	<b>5-MILE</b>	<b>10-MILE</b>
2010 Population	9,754	11,909	17,356
2020 Population	10,169	12,416	18,022
2023 Population	10,409	12,675	18,424
2028 Population	10,509	12,807	18,687
<b>HOUSEHOLDS</b>			
2010 Households	4,396	5,373	7,708
2020 Households	4,731	5,776	8,244
2023 Households	4,761	5,814	8,307
2028 Households	4,819	5,890	8,444
<b>OWNER OCCUPIED HOUSING UNITS</b>			
2010 Owner Occupied Housing Units	65.1%	67.6%	73.4%
2020 Owner Occupied Housing Units	0.6%	0.7%	0.7%
2023 Owner Occupied Housing Units	67.4%	69.9%	75.3%
2028 Owner Occupied Housing Units	67.6%	70.1%	75.5%
<b>RENTER OCCUPIED HOUSING UNITS</b>			
2010 Renter Occupied Housing Units	35.0%	32.4%	26.6%
2020 Renter Occupied Housing Units	0.4%	0.3%	0.3%
2023 Renter Occupied Housing Units	32.6%	30.1%	24.7%
2028 Renter Occupied Housing Units	32.4%	29.9%	24.5%
<b>AVERAGE HOUSEHOLD INCOME</b>	<b>\$74,137</b>	<b>\$77,800</b>	<b>\$81,961</b>


AREA SNAPSHOT



18,424

POPULATION (10-MILE)


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18,006

DAYTIME POPULATION (10-MILE)


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1.9%

POPULATION GROWTH (2023-2028)

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\$81,961

AVERAGE HOUSEHOLD INCOME (10-MILE)