



Brand New 2023 Construction | 13+ Years Remaining | Outparcel to Home Depot



1623



OFFERING MEMORANDUM
HERMISTON, OREGON

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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OFFERING SUMMARY

PROPERTY ADDRESS

BestMed Urgent Care

1623 N. 1st Street

Hermiston, OR 97838

OFFERING SUMMARY

Price:	\$2,949,000
Cap Rate:	6.15%
Net Operating Income:	\$181,355
Building Square Footage:	3,238 Sq Ft
Year Built:	2023
Lot Size:	+/- 0.54 Acres

LEASE SUMMARY

Tenant:	Community Care Partners, LLC dba Nova Health
Guaranty:	Corporate
Rent Commencement:	2/1/2023
Lease Expiration:	1/31/2038
Lease Term:	15 Years
Lease Type:	Triple Net
Structure & Foundation:	Landlord Responsible
Rental Increases:	2.00% Annually
Renewal Options:	Two, Five-Year
Right of First Refusal:	None

OPERATING DATA

Year	Start Date	End Date	Annual Rent	Cap Rate
2	2/1/2024	1/31/2025	\$181,355	6.15%
3	2/1/2025	1/31/2026	\$184,982	6.27%
4	2/1/2026	1/31/2027	\$188,681	6.40%
5	2/1/2027	1/31/2028	\$192,455	6.53%
6	2/1/2028	1/31/2029	\$196,304	6.66%
7	2/1/2029	1/31/2030	\$200,230	6.79%
8	2/1/2030	1/31/2031	\$204,235	6.93%
9	2/1/2031	1/31/2032	\$208,319	7.06%
10	2/1/2032	1/31/2033	\$212,486	7.21%
11	2/1/2033	1/31/2034	\$216,736	7.35%
12	2/1/2034	1/31/2035	\$221,070	7.50%
13	2/1/2035	1/31/2036	\$225,492	7.65%
14	2/1/2036	1/31/2037	\$230,001	7.80%
15	2/1/2037	1/31/2038	\$234,601	7.96%
16-20 (Option 1)	2/1/2038	1/31/2043	\$239,294	8.11%
21-25 (Option 2)	2/1/2043	1/31/2048	\$264,199	8.96%

Lease comments: Annual increases in options

INVESTMENT HIGHLIGHTS

- Corporate Guaranty from Community Care Partners (90+ Units)**
 - BestMed began in 2008 with a single clinic with nine employees in Eugene, Oregon. SouthStar Urgent Care was founded in 2011 in Lafayette, Louisiana.
 - Today, under the Community Care Partners umbrella, the brands operate over ninety clinics across seven states — Oregon, Washington, Montana, Wyoming, Colorado, Louisiana, and Texas.
- 13+ Years Remaining | 2.00% Annual Rental Increases**
 - The CCP Holdings. LLC corporate guaranteed lease which has over 13 years remaining on initial lease term with two, five-year options to extend, demonstrating their commitment to the site.
 - The lease features 2% annual rental increases throughout the initial term and continuing into the option periods, growing NOI and hedging against inflation.
- Brand New 2023 Construction | NNN Lease with Limited Landlord Responsibilities**
 - The subject property was a brand new build-to-suit for BestMed Urgent Care in 2023 and a strategic location in the main retail corridor in Hermiston, Oregon.
 - The Tenant pays for CAM, taxes, and insurance and the landlord's responsibilities are limited to outer four walls & foundation only.
 - This property is an ideal, low-management investment for a passive investor.
- Outparcel to Home Depot in Dense Retail Corridor (18,000+ CPD)**
 - The Property is located along World War I Veterans Memorial Hwy, receiving 18,000+ cars per day.
 - The Property benefits from its proximity to multiple national tenants and businesses.
 - The Home Depot has over 685,800 visitors annually (Place AI), which is a huge benefit for BestMed as an outparcel.
 - Walmart Supercenter is located directly across the street from BestMed and it ranks as the 8th most visited Walmart in the state of Oregon, with over 3,100,000 visitors annually (Placer AI).



WHY BUY URGENT CARE

Growth

- According to estimates from IBISWorld, the urgent care market will reach roughly \$48 billion in revenue in 2023, a 21% increase from 2019.
- Growth is being fueled by consumers seeking affordable and accessible health care coupled with a well-documented shortage of primary care physicians and aging baby boomer population.
- In 2023, estimates for the total urgent care centers in the United States equate to 11,150 centers. This number expects to continue to grow about 7% annually, according to UCA. This number does not include clinics inside retail centers like CVS/ Walgreens/ Walmart or freestanding emergency rooms.

Demand For Healthcare

- Urgent care clinics handle about 89 million patient visits each year.
- Healthcare in the United States is upwards of 17.8 percent of the national gross domestic product (2019)

Consumer's Push Towards Convenience

- Convenience in retail centric locations of urgent care centers, convenience in hours of availability and convenience in breadth of services offered. Most urgent care centers offer a one-stop environment from the scope of services, offering pediatric to geriatric evaluations, to on-site diagnostics including imaging and laboratory. Many also dispense prepackaged medications, allowing patients immediate access to dozens of routine and/or generic medications without having to visit a 24-hour off-site pharmacy or wait for the next day to receive necessary medical treatment.

Source: <https://www.ucaoa.org/>, <https://www.ibisworld.com/>



SITE PLAN



AERIAL OVERVIEW



HERMISTON CINEMA



GROCERY OUTLET
bargain market



HARBOR FREIGHT
QUALITY TOOLS LOWEST PRICES



BURGER KING

POPEYES



685,800 Visits/Year
placer.ai



World War I
Veterans Mem Hwy
18,363 CPD

Subject Property



Walmart
Supercenter

3,100,000 Visits/Year
#8 out of 34 in OR
79th Percentile in OR
placer.ai

AERIAL OVERVIEW

Walmart ✨
Supercenter
 3,100,000 Visits/Year
 #8 out of 34 in OR
79th Percentile in OR
placer.ai

SUNSET ELEMENTARY SCHOOL
 566 Students



MCDONALD'S



DEMOGRAPHICS

POPULATION (2022):

1-Mile Radius	6,787
3-Mile Radius	24,110
5-Mile Radius	31,454

HOUSEHOLD INCOME (AVERAGE):

1-Mile Radius	\$65,460
3-Mile Radius	\$75,962
5-Mile Radius	\$77,372

Clayton Hermiston Home Builder

World War I Veterans Mem Hwy
 18,363 CPD



Subject Property



685,800 Visits/Year
placer.ai

TENANT PROFILES



With founding roots in Oregon and Louisiana, Community Care Partners pursues partnerships with like-minded medical professionals to build a platform of high-quality medical care clinics across the United States.

BestMed began in 2008 with a single clinic with nine employees in Eugene, Oregon. SouthStar Urgent Care was founded in 2011 in Lafayette, Louisiana. Today, under the Community Care Partners umbrella, the brands operate over ninety clinics across seven states — Oregon, Washington, Montana, Wyoming, Colorado, Louisiana and Texas.

With its remarkable growth, Community Care Partners has over 1500 team members including over 290 providers to date. Recognizing that culture is a key component of delivering high quality care, we focus first on our team. We create a great environment where team members can realize their full potential and flourish. This enables us to live up to on our promise of delivering care that is personal.

TENANT OVERVIEW

No. of Locations: 90+

Year Founded: 2008

Headquarters: Eugene, OR

Website: <https://ccpartners.com/>



Founded in 2008, BestMed is a leading provider of Urgent Care, Primary Care and Occupational Medicine services throughout Oregon, Washington, Montana, Wyoming, Colorado and Texas. With over thirty clinics, we aim to serve our patients and be part of the local community. Our Promise is simple: We deliver Care That Is Personal. We treat our patients how we would like to be treated. Sure that sounds simple, but there are some in the healthcare industry that don't seem to operate that way.

We highlight when things go well, and we hold ourselves accountable if they don't. From aches to X-rays BestMed offers a wide range of urgent care, primary care and occupational medicine services. Our services are available to patients of all ages and our clinics are open after hours seven days a week for your convenience.

TENANT OVERVIEW

No. of Locations: 30+

Year Founded: 2008

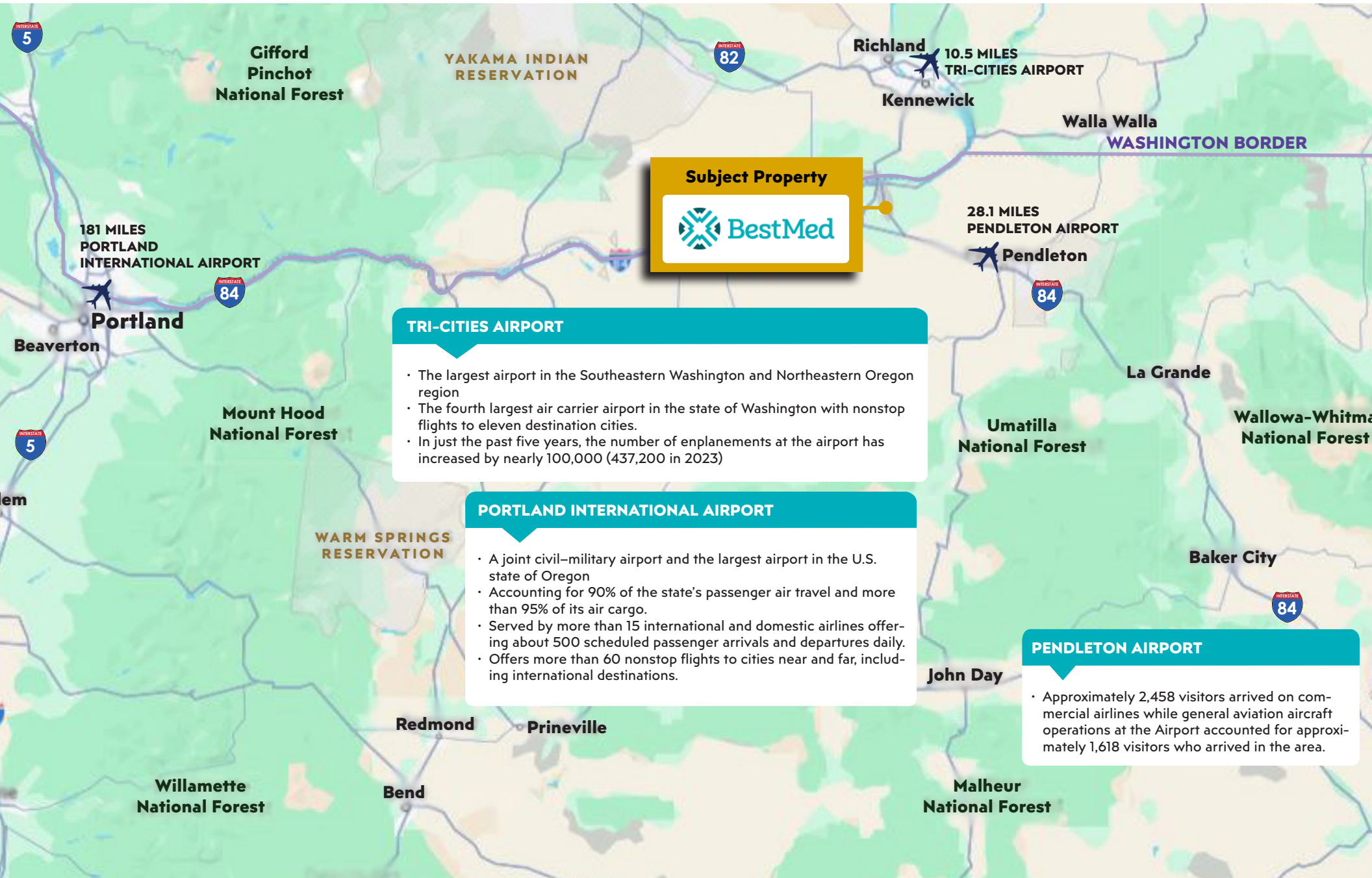
Headquarters: Coburg, OR

Website: <https://www.bestmedclinics.com/wyoming-colorado/>

PROPERTY PHOTOS



REGIONAL MAP



Subject Property

TRI-CITIES AIRPORT

- The largest airport in the Southeastern Washington and Northeastern Oregon region
- The fourth largest air carrier airport in the state of Washington with nonstop flights to eleven destination cities.
- In just the past five years, the number of enplanements at the airport has increased by nearly 100,000 (437,200 in 2023)

PORTLAND INTERNATIONAL AIRPORT

- A joint civil–military airport and the largest airport in the U.S. state of Oregon
- Accounting for 90% of the state’s passenger air travel and more than 95% of its air cargo.
- Served by more than 15 international and domestic airlines offering about 500 scheduled passenger arrivals and departures daily.
- Offers more than 60 nonstop flights to cities near and far, including international destinations.

PENDLETON AIRPORT

- Approximately 2,458 visitors arrived on commercial airlines while general aviation aircraft operations at the Airport accounted for approximately 1,618 visitors who arrived in the area.

AREA OVERVIEW

HERMISTON

- A midsize town nestled in the heart of the Columbia Basin, Hermiston has long been a stopover for travelers.
- Hermiston is the largest city in Umatilla county
- Hermiston serves as an important commercial and transportation hub for the region.
- The Lewis and Clark Corps of Discovery passed the distinctive outcropping of Hat Rock, which is now a state park.
- Hermiston saw an agricultural boom in the 1970s, which was the start of its now famous watermelon farming.
- There is an annual walleye tournament, Cinco de Mayo celebration and Farm-City Pro Rodeo.
- Hermiston offers a high quality of life with diverse recreational opportunities, excellent schools, and a growing economy.
- The Hermiston School District serves the educational needs of the city's residents, with multiple elementary, middle, and high schools offering quality education to students.
- Located near several higher education institutions, including Blue Mountain Community College in Pendleton and Eastern Oregon University in La Grande.
- From the expansive Butte Park, which features sports fields, playgrounds, and walking paths, to the Hermiston Family Aquatic Center, which offers swimming and water play opportunities, the city is committed to providing enjoyable recreational spaces for all ages.
- Hermiston is well connected by road, with Interstate 84 and Highway 395 providing easy access to neighboring cities and states. The city is also served by the Eastern Oregon Regional Airport in nearby Pendleton, offering regional flight connections.

ECONOMY


- Hermiston's economy is primarily driven by agriculture, with the city recognized as the "Watermelon Capital of the World" due to its abundance of watermelon crops.
- Also known for its production of potatoes, onions, and other crops.
- The city's strategic location at the junction of Interstate 84 and Highway 395 makes it an important transportation and distribution hub for the region.
- Additionally, Hermiston is home to a growing number of manufacturing, retail, and service-based businesses.



DEMOGRAPHICS


POPULATION	1-MILE	3-MILE	5-MILE
2000 Population	5,211	18,547	24,634
2010 Population	6,206	22,302	29,150
2022 Population	6,787	24,110	31,454
2027 Population	7,134	25,296	32,921
HOUSEHOLDS			
2000 Households	1,867	6,711	8,834
2010 Households	2,175	7,878	10,139
2022 Households	2,401	8,629	11,067
2027 Households	2,532	9,082	11,628
OWNER OCCUPIED HOUSING UNITS			
2000 Owner Occupied Housing Units	53.2%	58.1%	60.3%
2010 Owner Occupied Housing Units	52.9%	59.8%	62.4%
2022 Owner Occupied Housing Units	52.7%	60.5%	62.9%
2027 Owner Occupied Housing Units	52.8%	60.6%	62.9%
RENTER OCCUPIED HOUSING UNITS			
2000 Renter Occupied Housing Units	40.3%	34.9%	32.6%
2010 Renter Occupied Housing Units	47.1%	40.2%	37.6%
2022 Renter Occupied Housing Units	47.3%	39.5%	37.1%
2027 Renter Occupied Housing Units	47.2%	39.5%	37.2%
AVERAGE HOUSEHOLD INCOME	\$65,460	\$75,962	\$77,372

AREA SNAPSHOT




31,454

POPULATION (5-MILE)




29,435

DAYTIME POPULATION (5-MILE)



11,067

HOUSEHOLDS (5-MILE)



\$65,460

AVERAGE HOUSEHOLD INCOME (1-MILE)