



711 E 38th St | Indianapolis, IN 46205

**Healthcare
Investment Opportunity**
Offering Memorandum

CVS-Owned Tenant | ±12.2 Years Remaining | 10% Rent Bumps | NNN Lease | Fee Simple



MATTHEWS™

Exclusively Listed By

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MATTHEWS™



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EXECUTIVE OVERVIEW



E 38th St $\pm 20,100$ VPD

N College Ave $\pm 15,300$ VPD

| Executive Summary

Offering Summary

Matthews™ Healthcare Division is pleased to offer the opportunity to acquire a freestanding, single-tenant Oak Street Health clinic located at 711 E. 38th Street in Indianapolis, Indiana. Constructed in 1993, the property consists of a 12,424-square-foot medical facility situated on 1.33 acres and is 100% occupied by Oak Street Health MSO, LLC. The asset is secured by a long-term lease with approximately 12.2 years remaining, featuring 10% rental increases every five years and two 5-year renewal options, providing investors with durable cash flow and contractual rent growth.

The tenant, Oak Street Health MSO, LLC, is a wholly owned subsidiary of CVS Health (NYSE: CVS). Acquired by CVS Health in a \$10.6 billion transaction in 2023, Oak Street Health operates more than 230 primary care centers nationwide and continues to expand its footprint serving Medicare-eligible adults through its value-based care model.

Strategically located within a densely populated Indianapolis corridor, the property benefits from strong surrounding demographics, established residential neighborhoods, and convenient access to major transportation routes. Offered at a 6.90% cap rate and backed by a nationally recognized healthcare operator, this investment presents an attractive opportunity for investors seeking stable passive income, inflation-protected rent growth, and the security of essential healthcare real estate.



The Opportunity

Name

Oak Street Health

Property Address

711 E 38th St, Indianapolis, IN 46205

GLA (SF)

±12,424

Land Area (AC)

±1.33

List Price

\$4,782,609

Cap Rate

6.90%

NOI

\$330,000

Investment Highlights

- **Backed by CVS Health:** Oak Street Health was acquired by CVS Health in 2023 for approximately \$10.6 billion and now operates as a wholly owned subsidiary, providing significant financial backing and enhanced tenant credit quality.
- **Strategic National Expansion:** Oak Street Health operates more than 230 centers nationwide and continues to expand its footprint serving Medicare-eligible patients through its value-based care model.
- **Mission-Critical Healthcare Location:** The Indianapolis clinic serves a densely populated urban trade area and provides essential primary care services to local seniors.
- **Long-Term Lease with Rent Growth:** The lease has approximately 12.2 years of remaining term, with scheduled 10% rent increases every five years and two 5 year renewal options. This provides investors with a growing income stream secured by a long term lease, while offering additional upside through future rent escalations and extension options.
- **Ideal 1031 Exchange Opportunity:** The combination of a 6.90% cap rate, long term NNN lease structure, and stable cash flow provides investors with a passive, management light investment. Scheduled rent increases further enhance the opportunity by offering income growth over time while helping to hedge against inflation.
- **Established National Healthcare Tenant:** Oak Street Health is one of the nation's leading value based primary care providers, operating a rapidly expanding network of clinics across the country. The company's continued investment in new locations, patient growth initiatives, and healthcare infrastructure demonstrates a long term commitment to serving its communities and supporting the ongoing expansion of its platform.
- **Strong Infill Indianapolis Location:** Located at 711 E. 38th Street, the property benefits from strong visibility, accessibility, and proximity to surrounding residential communities.
- **Favorable Market Fundamentals:** Indiana's growing Medicare eligible population and continued adoption of Medicare Advantage plans create a supportive operating environment for Oak Street Health's value based care platform. Because Oak Street's model is centered on managing the total cost of care for Medicare Advantage beneficiaries, these demographic and reimbursement trends help support the long term viability of its clinics.
- **Growing Indianapolis MSA:** The Indianapolis MSA has added more than 100,000 residents since 2020, making it one of the fastest growing metropolitan areas in the Midwest and reinforcing the market's strong long term economic and demographic fundamentals.
- **Strategic Midwest Healthcare Market:** As the largest metropolitan area in Indiana and a major healthcare hub for the Midwest, Indianapolis offers strong healthcare infrastructure, a broad referral network, and favorable demographics that support continued demand for outpatient medical services.
- **\$1.8 Million 2023 Renovation:** The property underwent an approximately \$1.8 million renovation in 2023, including electrical, plumbing, HVAC, ceilings, and millwork.
- **Fee Simple Ownership:** The offering includes fee simple ownership, providing investors full ownership of the real estate.
- **Stable Cash Flow from Essential Healthcare Real Estate:** Healthcare real estate continues to benefit from favorable demographic trends and resilient demand across economic cycles.



Portfolio Overview

This two-property Oak Street Health portfolio offers investors the opportunity to acquire a pair of mission-critical healthcare assets leased to a nationally recognized primary care provider serving the growing Medicare population. Located in Kansas City, KS and Indianapolis, IN, the properties provide geographic diversification across two established Midwest markets while benefiting from long-term NNN lease structures that minimize landlord responsibilities.

Together, the assets comprise approximately 20,800 square feet and generate stable cash flow backed by a healthcare operator whose services are deeply integrated into their local communities. With a blended cap rate of 6.90%, strong real estate fundamentals, and remaining lease terms of more than 12 years, this portfolio presents an attractive opportunity for investors seeking durable income, healthcare sector exposure, and the efficiency of acquiring two high-quality assets in a single transaction.



700 Nebraska Ave | Kansas City, KS 66101

Price: \$4,200,000

Cap Rate: 6.90%

Lease Term: ±14.20 Years

Square Footage: ±8,400

Lease Type: NNN



711 E 38th St | Indianapolis, IN 46205

Price: \$4,782,609

Cap Rate: 6.90%

Lease Term: ±12.2 Years

Square Footage: ±12,424

Lease Type: NNN

FINANCIAL OVERVIEW



Financial Summary

Investment Summary

List Price \$4,782,609

NOI \$330,000

Cap Rate 6.90%

Property Overview

Address 711 E 38th St, Indianapolis, IN 46205

Property Size ±12,424 SF

Lot Size ±1.33 AC

Year Built/Renovated 1993/2023

Occupancy 100%

Property Type Medical Office Building

Ownership Type Fee Simple

Lease Abstract

Tenant Name Oak Street Health

Ownership Type Fee Simple

Tenant Entity Oak Street Health MSO, LLC

SF Leased ±12,424

Occupancy 100%

Initial Term 15 Years

Rent Commencement 10/21/2023

Lease Expiration 10/31/38

Lease Term Remaining ±12.2 Years

Base Rent \$330,000

Rental Increases 10% Every 5 Years

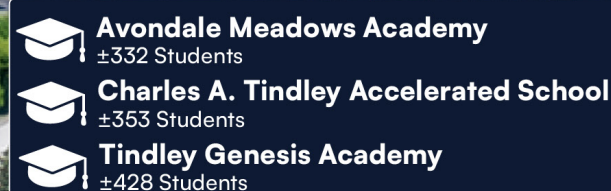
Renewal Options Two 5-Year Options

Expense Structure NNN

Landlord Responsibilities Roof (in the event repairs exceed \$35K, cost amortized back to tenant) Structure, Foundation, and Exterior Walls

Annualized Operating Data

Lease Year	Annual Rent	Monthly Rent	Cap Rate
Years 1-5	\$330,000	\$27,500.00	6.90%
Years 6-10	\$363,000	\$30,250.00	7.59%
Years 11-15	\$399,300	\$33,275.00	8.35%
Option 1 (Years 16-20)	\$439,230	\$36,602.50	9.18%
Option 2 (Years 21-25)	\$483,153	\$40,262.75	10.10%



E 38th St ± 20,166 VPD

N College Ave ± 15,350 VPD





N College Ave ± 15,350 VPD



Carrollton Ave

TENANT OVERVIEW



Downtown Indianapolis, IN
±4.4 Miles Away



| Tenant Overview

Year Founded
2012

Headquarters
Chicago, IL

of Employees
4,000+

of Locations
230+

Website
oakstreethealth.com



Tenant Overview

Oak Street Health, a subsidiary of CVS Health, is a value-based primary care provider that operates outpatient medical clinics focused primarily on Medicare-eligible seniors. The company delivers comprehensive primary care services, including preventive care, chronic disease management, routine checkups, behavioral health support, and coordinated specialty referrals. Its clinics are designed to function as community-based healthcare hubs that emphasize long-term patient relationships and improved health outcomes rather than high-volume, fee-for-service visits. Through its ownership by CVS Health, Oak Street Health benefits from the scale, resources, and integrated healthcare platform of one of the nation's largest healthcare companies, further enhancing its ability to deliver coordinated, patient-centered care.



MARKET OVERVIEW



Indianapolis, IN

Market Demographics: 3-Mile Radius of Subject Property

108,828

Total Population

\$91,773

Average HH Income

47,481

of Households

36.6Years

Median Age



Local Market Overview

Indianapolis serves as the economic and cultural center of Indiana and is one of the Midwest's most important business hubs. Home to a diverse economy anchored by healthcare, life sciences, advanced manufacturing, logistics, technology, and professional services, the city continues to attract employers, residents, and investment from across the country. Its strategic location at the crossroads of several major interstate highways provides exceptional regional connectivity, allowing businesses to efficiently access markets throughout the Midwest and beyond. A growing population, affordable cost of living, and business-friendly environment have supported sustained economic expansion and strengthened the area's appeal for both companies and residents.

The market also benefits from a strong quality of life that combines urban amenities with accessible suburban communities. Indianapolis offers a nationally recognized sports and entertainment scene, an expanding culinary landscape, extensive park systems, and a variety of cultural attractions that contribute to its long-term desirability. Ongoing public and private investment continues to enhance infrastructure, mixed-use developments, and employment centers throughout the metropolitan area.

Property Demographics

POPULATION	1-MILE	3-MILE	5-MILE
2020 Population	14,566	97,721	266,733
2025 Population	16,438	108,828	290,317
2030 Population Projection	17,036	112,502	298,743
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2020 Households	6,438	42,915	115,024
2025 Households	7,246	47,481	125,303
2030 Household Projections	7,509	49,043	129,026
INCOME	1-MILE	3-MILE	5-MILE
Avg Household Income	\$91,389	\$91,773	\$89,101

INDIANAPOLIS, IN MSA

Sustained Population Growth Supported by a World-Class Healthcare Sector

Indianapolis continues to strengthen its position as a diversified and forward-looking metropolitan economy, with particularly **strong momentum in healthcare, life sciences, and innovation-driven industries**. The region is anchored by a **globally recognized healthcare ecosystem** that includes major hospital systems, clinical research institutions, and a rapidly expanding pharmaceutical presence led by organizations such as Eli Lilly and Company. This foundation supports a broader innovation economy that also benefits from advancements in biotechnology, medical device manufacturing, and health technology services. **Steady population growth**, coupled with sustained in-migration of skilled labor, continues to reinforce workforce depth and consumer demand across the metro.



\$190B+

Regional Gross Domestic Product

\$65,000

Median Household Income

880K

Total Population

3%

Population Growth Since 2020

Disclaimer & Confidentiality Agreement

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at **711 E 38th St, Indianapolis, IN 46205** ("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™. The material and information in the Offering Memorandum is unverified. Matthews™ 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. Neither 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.

Matthews™ is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any entity's name or logo, including any commercial tenant's name or logo, is informational only and does not indicate or suggest any affiliation and/or endorsement of Matthews™, the property, or the seller by such entity.

Owner and Matthews™ 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 Owner or Matthews™ 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 of this Offering Memorandum.

Net Lease Disclaimer: There are many different types of leases, including gross, net, single net ("N"), double net ("NN"), and triple net ("NNN") leases. The distinctions between different types of leases or within the same type of leases, such as "Bondable NNN," "Absolute NNN," "True NNN," or other NNN leases, are not always clear. Labels given to different leases may mean different things to different people and are not defined legal terms. Buyers cannot rely on the labels or marketing descriptions given to any lease when making their purchasing decisions. Buyers must closely review all lease terms and are advised to seek legal counsel to determine the landlord and tenant's respective rights and duties under the lease to ensure the lease, regardless of how labeled or described, meets the buyers' particular needs.



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