

Heartland[®]

VETERINARY PARTNERS

4137 S Hwy US 27, St. Johns, MI 48879

Healthcare Investment Opportunity

Offering Memorandum



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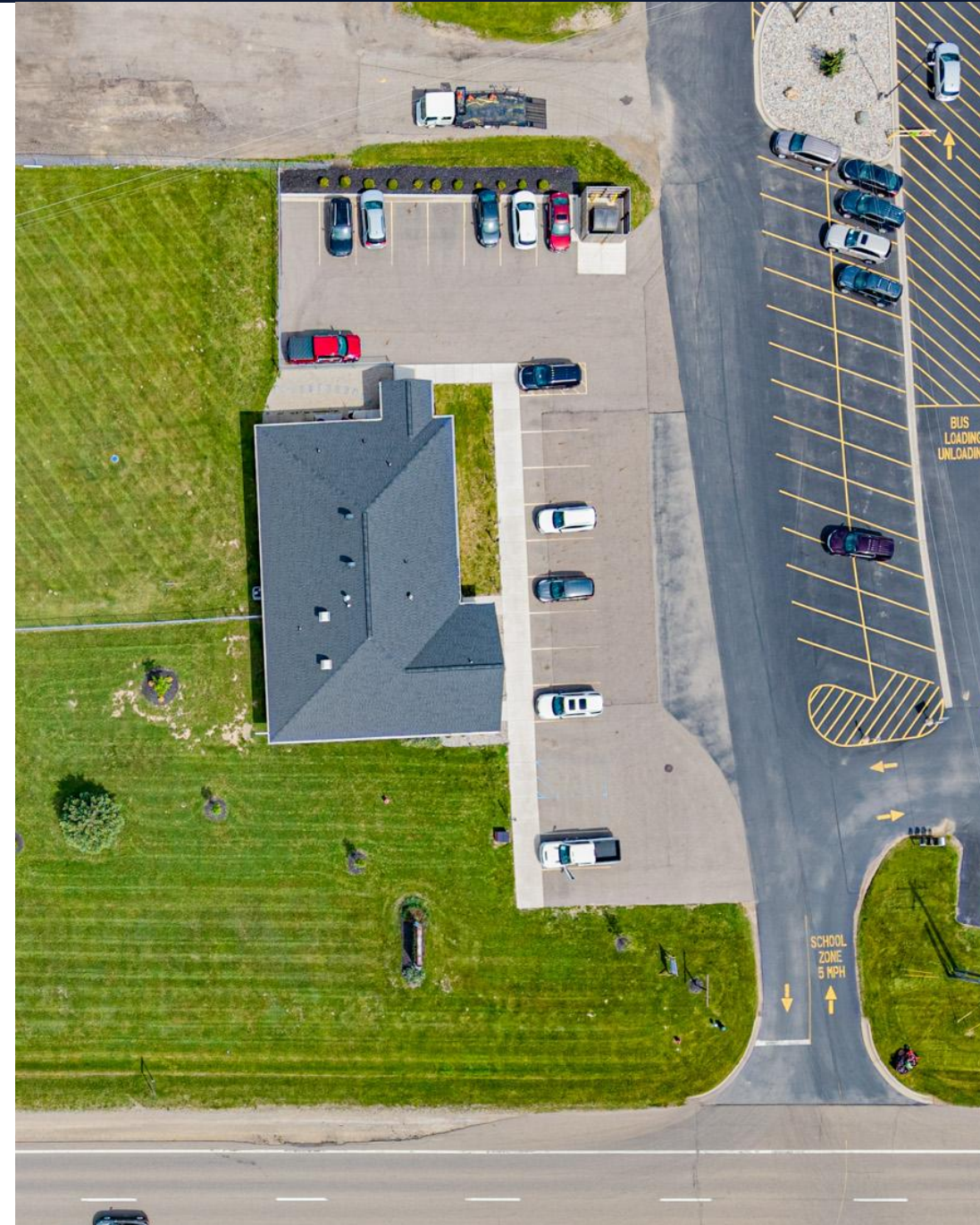
Property Overview

St Johns Animal Clinic
4137 S Hwy US 27, St. Johns, MI 48879



Investment Highlights

- **Full Service Veterinary Hospital | Multi-Doctor Location:** St. Johns Animal Clinic is a full-service veterinary hospital offering comprehensive care for animals, including wellness exams, vaccinations, routine lab work, microchipping, spay and neuter procedures, soft tissue and orthopedic surgery, dental care, diagnostic imaging, and end-of-life services.
- **Only Full-Service Animal Hospital in St Johns:** St. Johns Animal Clinic is the only full-service veterinary hospital in St. Johns, Michigan, serving as the primary source of veterinary care for thousands of pet-owning households in the community. With the nearest competitor over 8 miles away and the next nearest over 15 miles, the clinic benefits from limited competition and strong local demand, making it an essential healthcare resource that pet owners in the area rely on daily.
- **Over 50 Years of Trusted Service:** Founded in 1974, St. Johns Animal Clinic has served the community for over 50 years, establishing itself as a trusted staple of veterinary care for pets and their families throughout the St. Johns area.
- **Extensively Renovated in 2022:** In 2022, the property underwent a comprehensive \$1,000,000+ renovation and expansion, increasing the facility size by 1,000 square feet and expanding clinical capacity from 3 to 5 exam rooms. Improvements included a new roof, expanded concrete slab foundation, upgraded treatment and surgical areas, modernized exam rooms with integrated technology infrastructure, updated electrical and plumbing systems, resurfaced parking areas, and refreshed exterior finishes.
- **Heartland Veterinary Partners Corporate Guaranty:** The lease features a corporate guaranty from Heartland Veterinary Partners, one of the fastest-growing veterinary groups in the United States, operating over 300 locations nationwide.



Investment Highlights

- **Affluent and Stable Community:** The median household income within a 3-mile radius of the property exceeds \$94,000, well above both state and national averages, reflecting a community with strong financial capacity to invest in high-quality veterinary care for their pets.
- **Easy Access to Surrounding Markets:** The property is situated along US-27 with direct access to US-127, connecting St. Johns to Lansing, Michigan's state capital, just 20 miles south. Proximity to I-69, I-96, and M-21 provides strong regional connectivity, allowing the clinic to draw patients from a broad trade area across Clinton County and the surrounding communities.
- **Strong Financial Backing:** Heartland Veterinary Partners is backed by Gryphon Investors, a San Francisco-based private equity firm with over \$10 billion in assets under management and significant experience investing in the healthcare sector, providing financial strength and stability behind the lease.
- **Healthcare Real Estate | Recession-Resistant Property:** Veterinary hospitals are extremely sought-after investments for their resistance to downturns in the economy and e-commerce trends that affect traditional retail properties.
- **Tenant Investment in Location:** Pet hospitals rarely relocate due to difficulty retaining the same patients in a new location and the high costs associated with moving and build outs.
- **Robust Industry Growth:** The global veterinary services market, valued at \$156.5 billion in 2025, is projected to reach \$263.1 billion by 2034, growing at a compound annual rate of 5.94%.





St Johns High School
±835 Students

Oakview South Elementary
±324 Students

Fieldstone Village Condos
±23 Units



The Meadows of St. Johns
Mobile Home Park

Self Storage Facility



Retirement Community



+12,460 VPD



+20,170 VPD



Heartland
VETERINARY PARTNERS
Subject Property



Financial Overview

St Johns Animal Clinic
4137 S Hwy US 27, St. Johns, MI 48879



Rent Roll

Heartland Veterinary Partners

Dates	Annual Rent	Monthly Rent	Rent/SF
June 2, 2025 - June 30, 2029	\$66,000	\$5,500	\$22.00

Billboard - Outfront Media

Dates	Annual Rent	Monthly Rent
September 1, 2017 - September 1, 2027	\$4,000	\$333.33



Financial Overview

\$800,000
List Price

8.75%
Cap Rate

\$70,000
NOI

±3,000 SF
GLA

Property Details

Tenant Name	Heartland Veterinary Partners
Lease Guarantor	Heartland Veterinary Partners LLC
Rent Commencement	6/2/25
Lease Expiration Date	6/30/29
Term Remaining on Lease	±3.10 Years
Rental Increases	4% in Option 1, 3% in Option 2
Renewal Options	Two, 3-Year Options
Expense Structure	NN
Landlord Responsibilities	Repair and replace roof, structure, HVAC, and parking lot
Tenant Responsibilities	Repair floor coverings, interior partitions, interior side of demising walls, supplemental AC units, kitchens, hot water heaters, interior plumbing (above ground), phone, data, and fiber cabling, landscaping, lawn care, and snow removal
Insurance & Taxes	Tenant Responsible



Annualized Operating Data



Lease Year	Annual Rent	Monthly Rent	Cap Rate
Current Year	\$70,000.00	\$5,833.33	8.75%
Year 2	\$70,000.00	\$5,833.33	8.75%
Year 3	\$70,000.00	\$5,833.33	8.75%
Year 4	\$70,000.00	\$5,833.33	8.75%

Option 1	Annual Rent	Monthly Rent	Cap Rate
Year 1	\$72,640.00	\$6,053.33	9.08%
Year 2	\$72,640.00	\$6,053.33	9.08%
Year 3	\$72,640.00	\$6,053.33	9.08%

Option 2	Annual Rent	Monthly Rent	Cap Rate
Year 1	\$74,704.00	\$6,225.33	9.34%
Year 2	\$74,704.00	\$6,225.33	9.34%
Year 3	\$74,704.00	\$6,225.33	9.34%

Tenant Overview



Tenant Overview

Heartland Veterinary Partners is a leading veterinary support organization (“VSO”) focused on partnering with independently owned veterinary hospitals throughout the United States. Founded in 2016, the company has rapidly expanded into one of the nation’s larger and faster-growing veterinary platforms, providing non-clinical operational support services that allow veterinarians to focus primarily on patient care and practice growth. Heartland’s business model emphasizes long-term partnerships with local veterinary operators while centralizing administrative functions such as human resources, recruiting, marketing, purchasing, finance, and operational management. The company has benefited from strong secular tailwinds in the companion animal healthcare sector, including increasing pet ownership, rising consumer spending on pet wellness, and continued consolidation across the fragmented veterinary industry.



Year Founded
2016

Headquarters
Chicago, IL

of Locations
300+

of Employees
3,000+

Website
heartlandvetpartners.com

Market Overview

St Johns Animal Clinic
4137 S Hwy US 27, St. Johns, MI 48879

Lansing MI MSA



St. Johns, MI

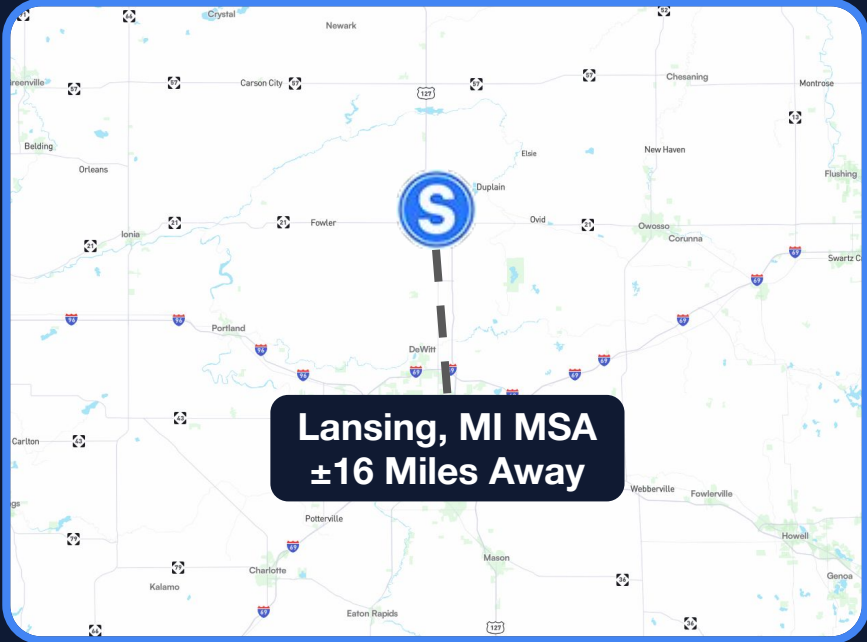
Market Demographics: 5-Mile Radius

6,009
Total Population

\$116,697
Average HH Income

2,335
of Households

36 Years
Median Age



Local Market Overview

St. Johns serves as the county seat of Clinton County and is positioned within the Lansing-East Lansing metropolitan area, offering residents and businesses access to regional economic activity while maintaining a smaller-town environment. The community benefits from a stable local economy supported by healthcare, manufacturing, agriculture, education, and government services. Its central location in Mid-Michigan provides convenient connectivity to major transportation corridors, allowing employers and residents to access surrounding employment centers throughout the region. The area continues to attract families and professionals seeking affordability, quality schools, and proximity to outdoor recreation and community amenities.

The city features a traditional downtown district with local retailers, restaurants, civic institutions, and community gathering spaces that contribute to its strong local identity. Nearby parks, recreational facilities, and seasonal events support a high quality of life and reinforce community engagement throughout the year. St. Johns also benefits from continued residential development in surrounding areas as growth from the greater Lansing region expands outward.

Property Demographics

Population	3-Mile	5-Mile	10-Mile
Current Year Estimate	1,048	6,009	36,814
Households	3-Mile	5-Mile	10-Mile
Five-Year Projection	416	2,387	15,361
Current Year Estimate	409	2,335	15,092
2020 Census	388	2,195	14,438
Growth Current Year-Five-Year	1.62%	2.23%	1.78%
Growth 2020-Current Year	5.54%	6.36%	4.53%
Income	3-Mile	5-Mile	10-Mile
Average Household Income	\$124,945	\$116,697	\$109,965

Lansing, MI MSA

Lansing, the capital city of Michigan, serves as a major governmental, educational, and manufacturing hub within the state. Anchored by state government operations, Michigan State University in the adjacent East Lansing market, and a diverse healthcare and industrial base, the region maintains a stable and multifaceted economy. The city's central location along key interstate corridors provides strong regional connectivity to Detroit, Grand Rapids, and other Midwestern markets, supporting logistics, commerce, and workforce mobility. Lansing continues to benefit from public and private investment focused on downtown redevelopment, housing growth, and infrastructure modernization.

112,000
Total Population

\$35B+
Gross Domestic Product

Top Employers

MICHIGAN STATE
UNIVERSITY
College of Veterinary Medicine


PATTERSON
VETERINARY



general motors



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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 4137 s hwy us 27, St. Johns, MI, 48879 ("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. 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.

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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.

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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 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.

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