specialty DENTAL BRANDS®

414 Main St NW | Elk River, MN 55330

Dental Investment Opportunity

Offering Memorandum

14 Year NNN Lease | 3.0% Annual Increases | +250 Unit National Operator | 2025 Construction

MATTHEWS™

Exclusively Listed By

Thor St John
FVP & Associate Director
(310) 955-1774
thor.st.john@matthews.com
License No. 02051284 (CA)

Kyle Mackulak
VP & Associate Director
(310) 919-5835
kyle.mackulak@matthews.com
License No. 02055597 (CA)

Rahul Chhajed
EVP & Senior Director
(949) 432-4513
rahul.chhajed@matthews.com
License No. 01986299 (CA)

Michael Moreno
EVP & Senior Director
(949) 432-4511
michael.moreno@matthews.com
License No. 01982943 (CA)

Tyler Swade
VP & Associate Director
(630) 854-9171
tyler.swade@matthews.com
License No. 02238285 (CA)

Kurt Sauer
Broker of Record
Broker License No. 40841921 (MN)
Firm License No. 41005445 (MN)

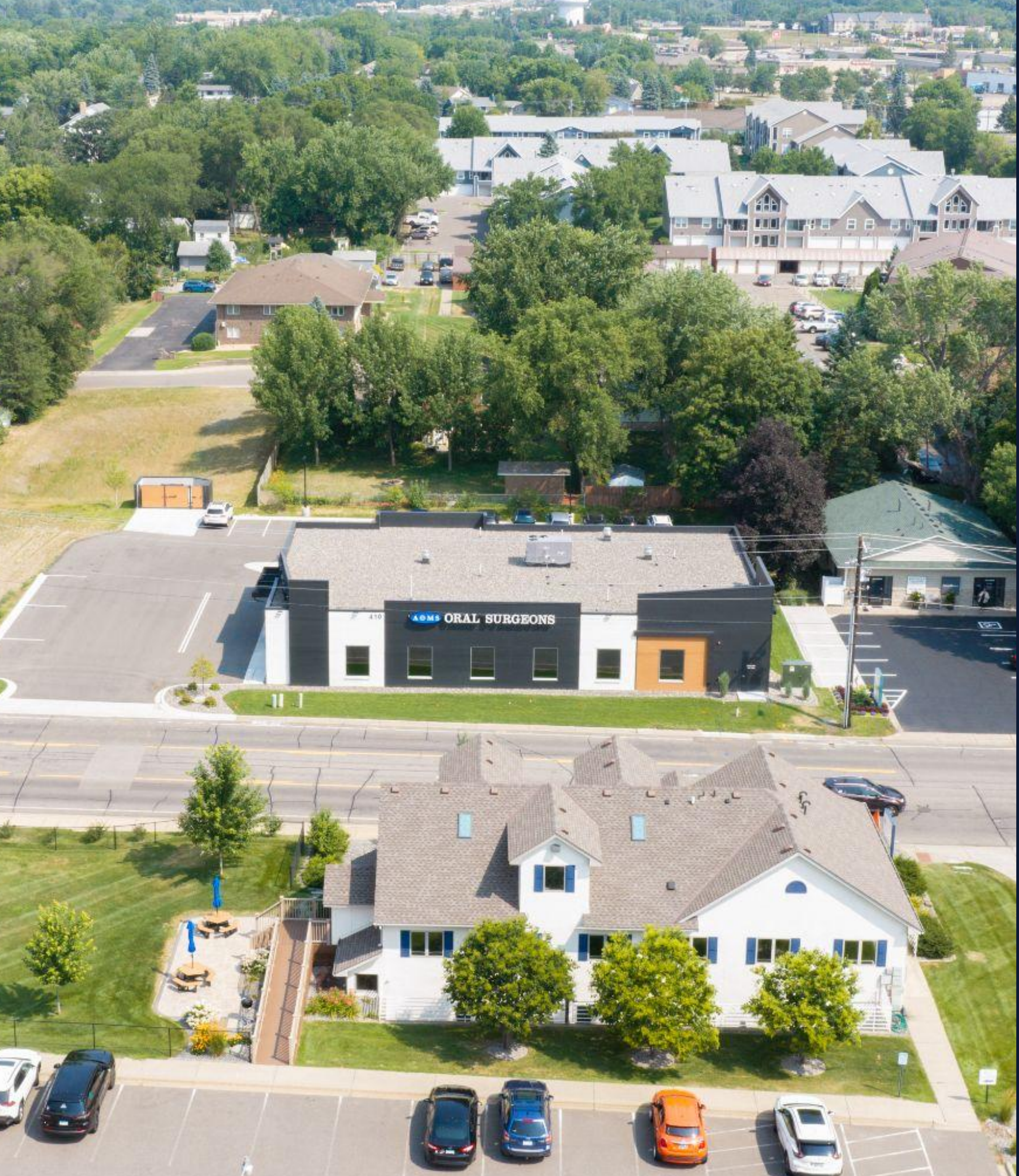
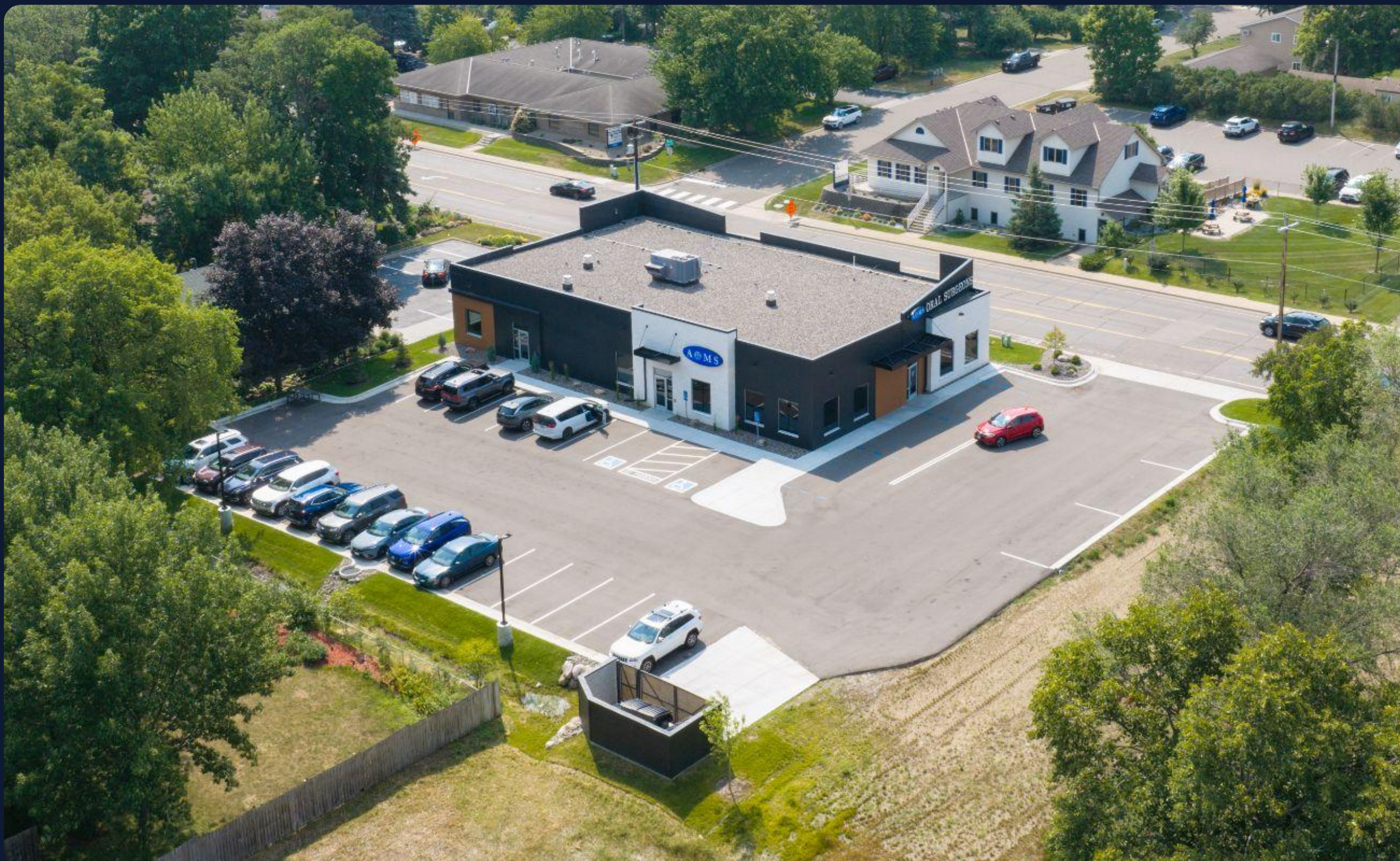


Table of Contents

Property Overview

414 Main Street NW, Elk River, MN 55330



Executive Summary

The Opportunity

Specialty Dental Brands a national operator of pediatric dentistry, orthodontic, and oral surgery practices with over 250 locations. This location operates as an oral and maxillofacial surgery center, which is the highest acuity within dentistry. The procedures handled at this location include facial trauma, jaw reconstruction, TMJ surgery, among many others. Oral surgery procedures are generally not elective but are medically necessary, driving consistent demand that remains steady regardless of broader market conditions.

This 2025 construction property offers a very rare 15-year NNN lease with 3.0% annual increases, providing predictable, long-term cash flow. The property is a relocation clinic for the locally branded AOMS Oral Surgeons, which the tenant needed to keep up with booming demand. This provides the confidence that the tenant will continue to thrive within the Elk River market while practicing from their new state of the art facility. AOMS has seven oral surgeons and is among the most successful oral surgery practices based in the Minneapolis MSA.

Investment Highlights

specialty DENTAL BRANDS®

Best In Class Tenant

Specialty Dental Brands is a premier operator specialty-specific dental practices across the US. With over 250 locations, they focus not on general dentistry but on higher acuity specialties like oral surgery.

Relocation Clinic

This Elk River office was built to expand an existing oral surgery practice in this market, demonstrating existing and growing demand within the area. The local AOMS brand is home to seven different oral surgeons.

15 NNN Lease, 3% Annual Increases

Dental offices do not frequently offer the rare combination of both a 15-year base term and strong 3% annual inflation hedge. The average cap rate across the base term of the lease is 7.63%, which grows to 9.18% by the final year.

Unique Option Structure

Specialty Dental Brands' lease offers a very rare one (1) ten (10) year option. Most new construction properties only offer several 5-year options after the base term, which leaves owners with decades of short-term renewals.

Investment Highlights

specialty DENTAL BRANDS®

High Growth, Recession Resistant, $187 Billion Industry

Dentistry is one of the largest industries in healthcare and grows by an average of 5% annually. This offering provides the opportunity to acquire a property within one of the most important areas of healthcare, and within the most medically necessary specialty of dentistry.

Robust Retail Corridor & High Traffic Counts

The property is very well positioned across the highway from a retail corridor that is home to a Walmart Supercenter, Home Depot, and many other national tenants. US-169 sees over 45,000 cars per day just down the street from the property.

Affluent Household Income, Substantial Population Growth

The Elk River submarket of Minneapolis features high household incomes of over $130,000 within a 5-mile radius. The area population grew by an impressive 2.0% annual over the past five years. The city actively has over 1,600 single and multifamily units under development as demand in the area continues to soar.

Specialized Use & Tenant Investment in Location

It is highly cost prohibitive for oral surgery practices to relocate due to having one of the highest build-out costs across all healthcare specialties.

Financial Overview

414 Main Street NW, Elk River, MN 55330

Financial Overview

$3,658,560	6.25%	14 Years	$228,660
List Price	Cap Rate	Lease Term Remaining	NOI

Property Details

Tenant Name	Specialty Dental Brands
Ownership Type	Fee Simple
Tenant Entity	SDB Central Partners LLC
SF Leased	±6,000
Occupancy	100%
Initial Term	15 Years
Rent Commencement	9/26/25
Lease Expiration	9/30/40
Lease Term Remaining	±14 Years
Base Rent	$228,660
Rental Increases	3% Annual
Renewal Options	One, 10-Year Option
Expense Structure	NNN
Landlord Responsibilities	Roof/Structure
Tenant Responsibilities	Taxes, Maintenance, Insurance

Financial Overview

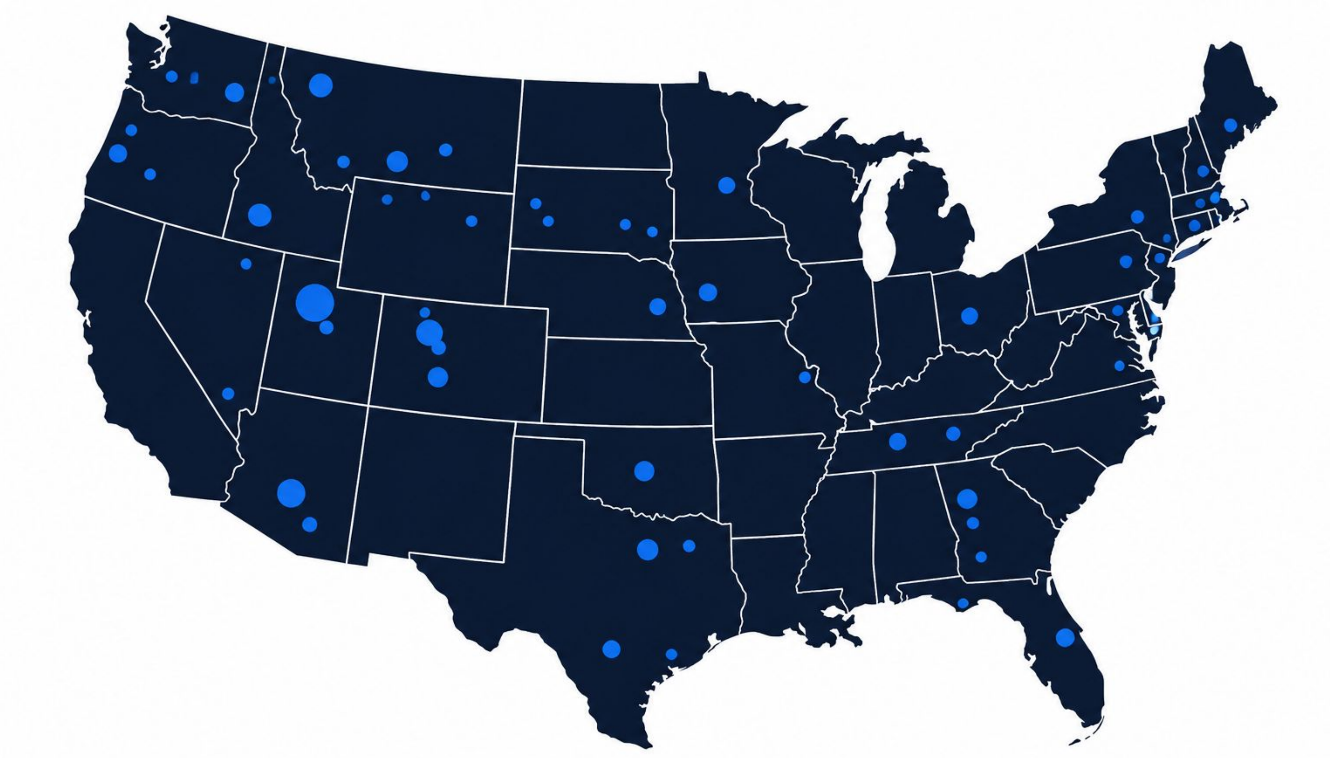
Annualized Operating Data

Lease Year	Annual Rent	Monthly Rent	Cap Rate
Current	**$228,660**	**$19,055**	**6.25%**
Sept 2027 - Sept 2028	$235,520	$19,627	6.44%
Sept 2028 - Sept 2029	$242,585	$20,215	6.63%
Sept 2029 - Sept 2030	$249,863	$20,822	6.83%
Sept 2030 - Sept 2031	$257,359	$21,447	7.03%
Sept 2031 - Sept 2032	$265,080	$22,090	7.25%
Sept 2032 - Sept 2033	$273,032	$22,753	7.46%
Sept 2033 - Sept 2034	$281,223	$23,435	7.69%
Sept 2034 - Sept 2035	$289,660	$24,138	7.92%
Sept 2035 - Sept 2036	$298,349	$24,862	8.15%
Sept 2036 - Sept 2037	$307,300	$25,608	8.40%
Sept 2037 - Sept 2038	$316,519	$26,377	8.65%
Sept 2038 - Sept 2039	$326,014	$27,168	8.91%
Sept 2039 - Sept 2040	$335,795	$27,983	9.18%

Tenant Overview

Tenant Overview

Specialty Dental Brands a national operator of pediatric dentistry, orthodontic, and oral surgery practices with over 250 locations. This location operates as an oral and maxillofacial surgery center, which is the highest acuity within dentistry. The procedures handled at this location include facial trauma, jaw reconstruction, TMJ surgery, among many others. Oral surgery procedures are generally not elective but are medically necessary, driving consistent demand that remains steady regardless of broader market conditions.



Year Founded
2017

Headquarters
Nashville, TN

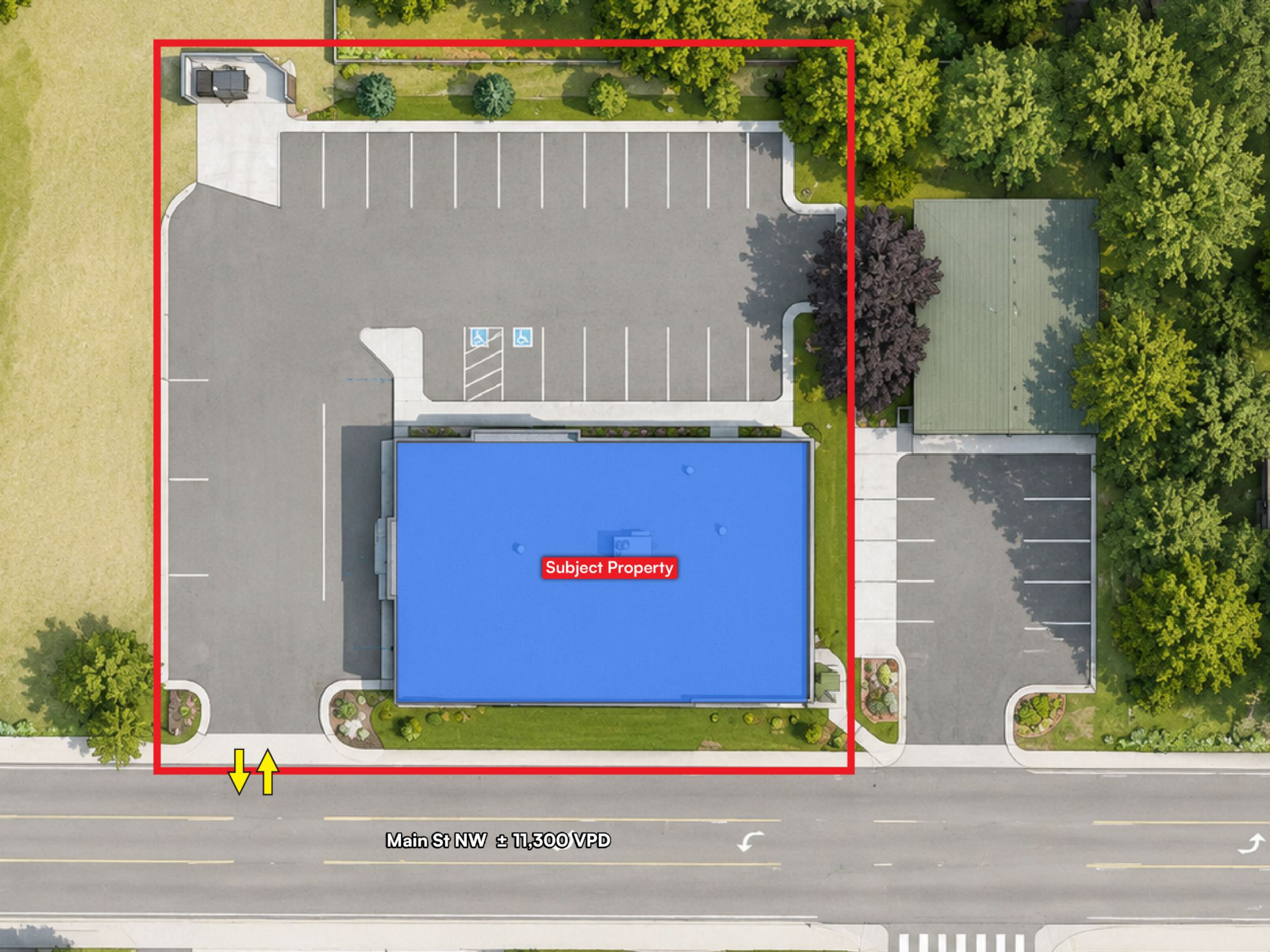
# of Practices
+250

# of States Located
25

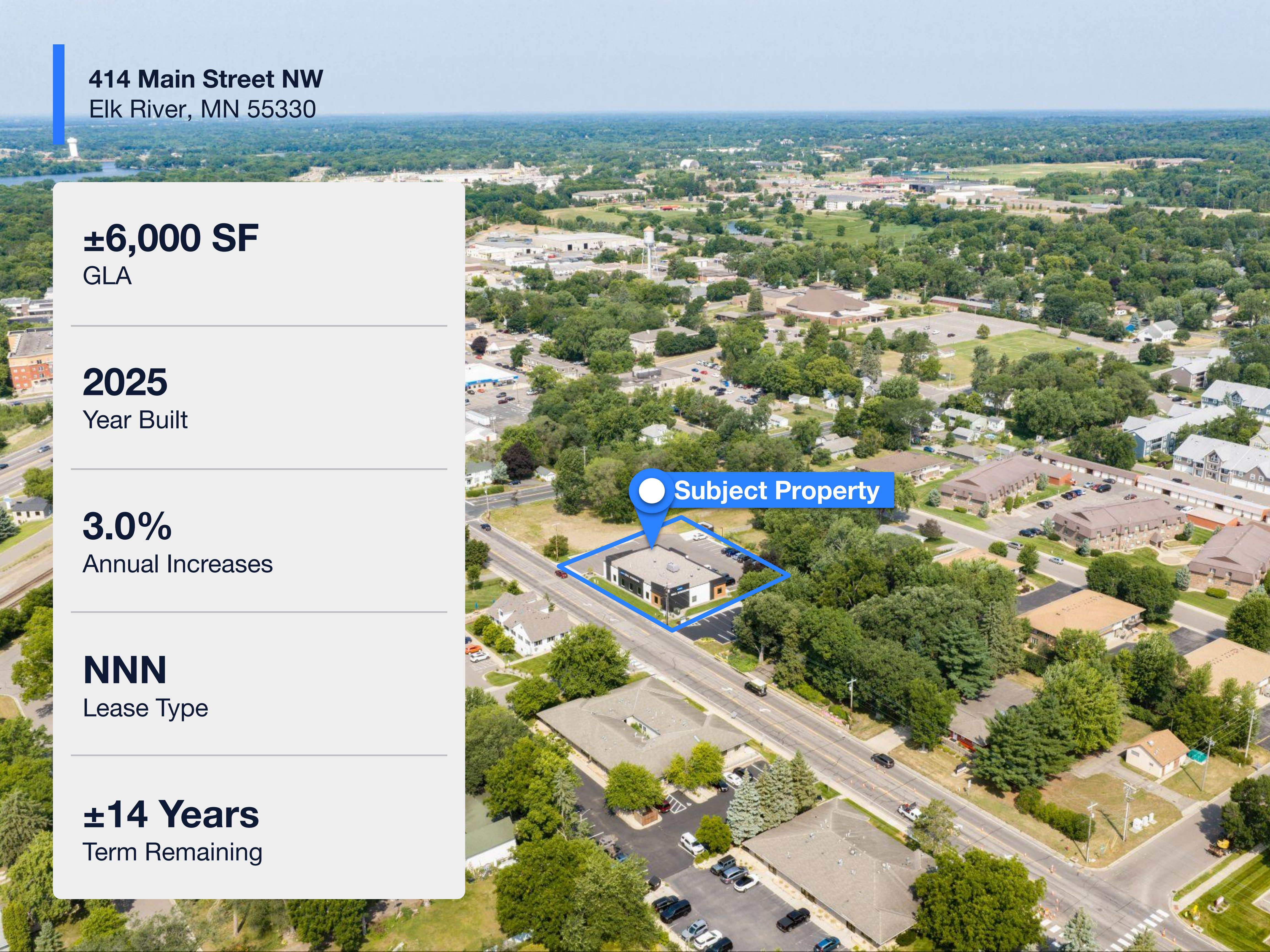
# of Providers
270

Website
specialtydentalbrands.com


E
abra
ELK RIVER
SENIOR LIVING
Valvoline
Walmart
Supercenter
Top 30% of National Locations
Source: AlphaMap
Advance Auto Parts
Batteries + Bulbs
noodles & COMPANY
Panera BREAD
THE HOME DEPOT
PETSMART
enterprise
169
± 45,600 VPD
169
HEALTH
FAIRVIEW
Caribou COFFEE
CHIPOTLE MEXICAN GRILL
ElkRiver
FAMILY DENTISTRY
Subject Property
triniti
Home Health + Hospice
A Cassia | Guardian Angels Affiliation
Main St NW ± 11,300 VPD


Subject Property
Main St NW ± 11,300 VPD

414 Main Street NW
Elk River, MN 55330



±6,000 SF
GLA

2025
Year Built

3.0%
Annual Increases

NNN
Lease Type

±14 Years
Term Remaining

Market Overview

414 Main Street NW, Elk River, MN 55330

specialty DENTAL BRANDS®

Elk River, MN

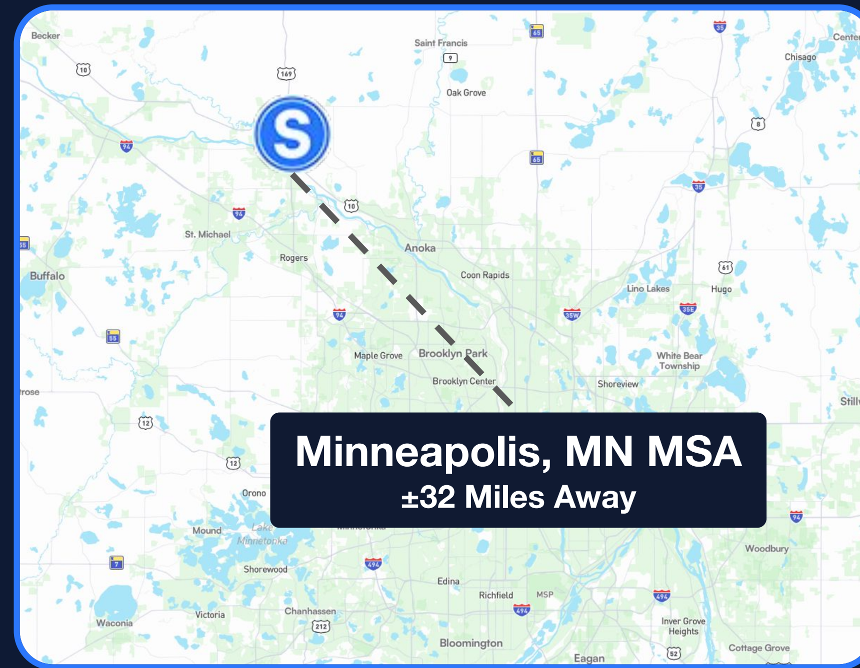
Market Demographics: 5-Mile Radius From Subject Property

47,643
Total Population

$131,595
Average HH Income

16,739
Total Households

38.6 Years
Median Age



Local Market Overview

Elk River is a growing community in the northwest Twin Cities metropolitan area that combines small-town appeal with convenient access to one of the Midwest's strongest regional economies. Located approximately 35 miles from downtown Minneapolis, the city has experienced steady residential growth driven by its quality schools, expanding housing inventory, and accessibility via U.S. Highway 169 and the Northstar Commuter Rail. Residents benefit from a balance of suburban conveniences and abundant outdoor recreation, including the Mississippi and Elk Rivers, numerous parks, and regional trail systems. Strong household incomes, a well-educated workforce, and a family-oriented environment continue to support long-term residential demand and local consumer spending.

The surrounding market is supported by a diverse economic base anchored by healthcare, manufacturing, retail, education, logistics, and professional services throughout the Minneapolis–Saint Paul metropolitan area. Elk River has become an attractive location for businesses and residents seeking lower-density development while maintaining access to major employment centers across the region.

Property Demographics

Population	3-Mile	5-Mile	10-Mile
Five-Year Projection	31,153	50,313	178,291
Current Year Estimate	30,517	47,643	169,421
2020 Census	27,785	43,226	154,193
Growth Current Year-Five-Year	1.1%	1.1%	1.0%
Growth 2020-Current Year	2.0%	2.0%	2.0%
Households	**3-Mile**	**5-Mile**	**10-Mile**
Five-Year Projection	11,549	17,693	61,631
Current Year Estimate	10,954	16,739	58,527
2020 Census	10,005	15,212	53,272
Growth Current Year-Five-Year	1.1%	1.1%	1.1%
Growth 2020-Current Year	2.3%	2.5%	2.6%
Income	**3-Mile**	**5-Mile**	**10-Mile**
Average Household Income	$121,300	$131,595	$136,877

Minneapolis, MN

429,954 Total Population	**188,812** # of Households	**$76,487** Median HH Income	**32.9 Years** Median Age

Minneapolis, Minnesota is one of the Midwest's leading economic and cultural centers, recognized for its ***diverse economy, highly educated workforce, and exceptional quality of life.*** As the largest city in Minnesota and a key part of the Minneapolis–Saint Paul metropolitan area, it is home to a strong mix of corporate headquarters, financial services, technology, manufacturing, and life sciences. The city's extensive park system, arts scene, and excellent transportation network—including ***Minneapolis–Saint Paul International Airport***—make it an attractive place to live, work, and do business.

Minneapolis also benefits from a ***well-established dental industry supported by a large population, strong household incomes, and access to highly educated professionals.*** The region is home to the ***University of Minnesota School of Dentistry, one of the nation's leading dental education and research institutions,*** helping cultivate a skilled workforce while advancing innovation in oral healthcare. Combined with the area's ***growing population, stable economy, and emphasis on health and wellness,*** these factors create a favorable environment for dental practices and long-term investment.

Confidentiality Agreement & Disclaimer:

This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 414 Main Street NW, Elk River, MN, 55330 ("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.

specialty DENTAL BRANDS®

414 Main St NW | Elk River, MN 55330

Exclusively Listed By

Thor St John
FVP & Associate Director
(310) 955-1774
thor.st.john@matthews.com
License No. 02051284 (CA)

Michael Moreno
EVP & Senior Director
(949) 432-4511
michael.moreno@matthews.com
License No. 01982943 (CA)

Tyler Swade
VP & Associate Director
(630) 854-9171
tyler.swade@matthews.com
License No. 02238285 (CA)

Kyle Mackulak
VP & Associate Director
(310) 919-5835
kyle.mackulak@matthews.com
License No. 02055597 (CA)

Rahul Chhajed
EVP & Senior Director
(949) 432-4513
rahul.chhajed@matthews.com
License No. 01986299 (CA)

Kurt Sauer | Broker of Record | Broker Lic. No. 40841921 (MN) | Firm Lic. No. 41005445 (MN)

MATTHEWS™