



Dermatology Investment Opportunity

Offering Memorandum

80 Declaration Dr, Chico, CA 95973

\$2,390,731 | NNN | 7.25% Cap Rate | $\pm$ 6.1 Year Lease | 3% Annual Increases | 120+ Unit Operator



MATTHEWS™

Exclusively Listed By



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Property Overview

80 Declaration Dr, Chico, CA 95973



Investment Highlights



Tenant & Industry

Best-in-class Tenant – PhyNet Dermatology is one of the nation's largest dermatology MSOs, supporting 100+ affiliated practices and 280+ physicians and providers across 18 states.

Streamlined Expansion – PhyNet expands by acquiring existing practices that are already successful and established within the community. This business model allowed them to quickly become one of the largest dermatology MSOs in the country.

Healthcare Real Estate – Healthcare properties are extremely sought-after investments for their resistance to recessions and e-commerce.

Property & Location

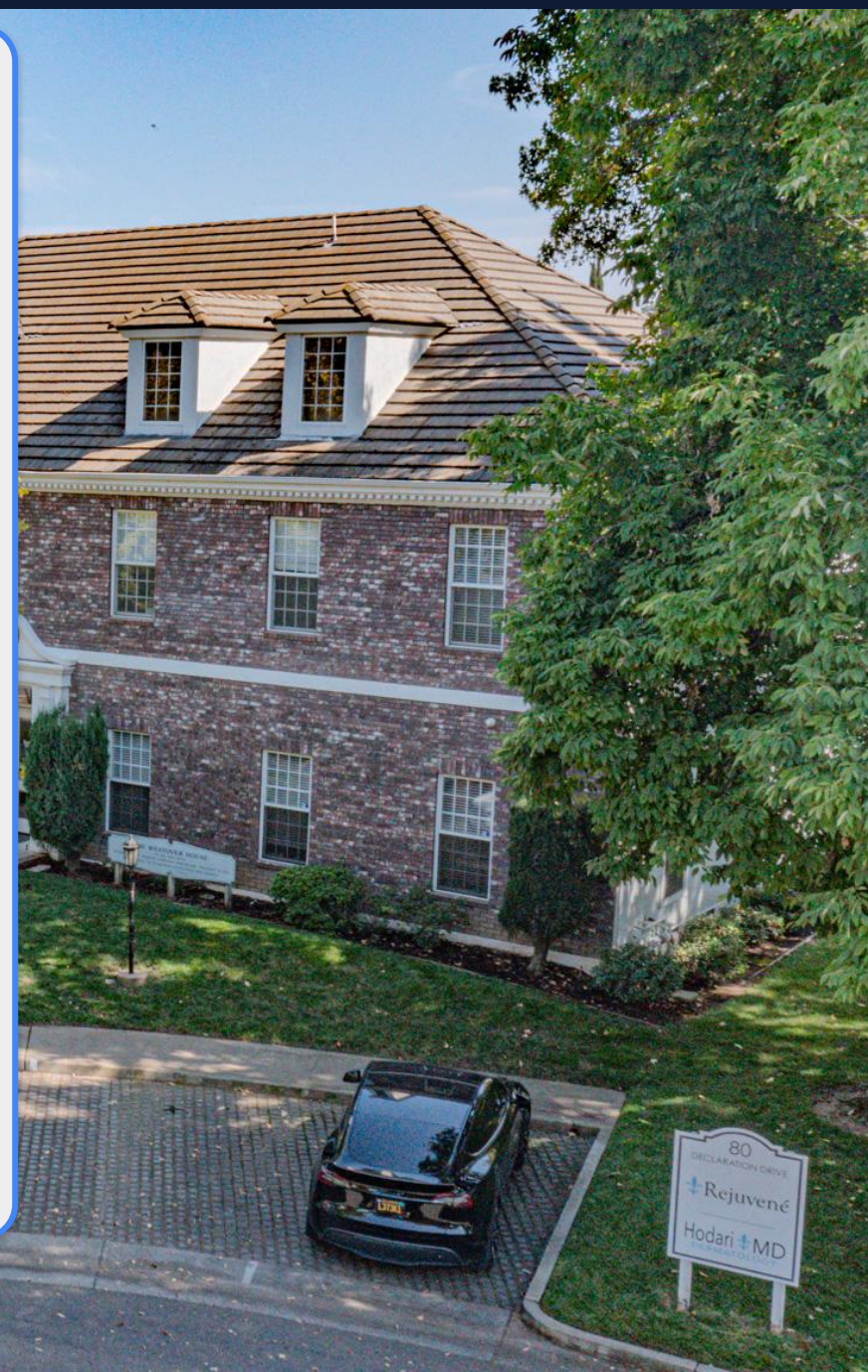
Strategic Location – The property benefits from a strategic North Chico location near Esplanade and Eaton Road, just off Highway 99, providing convenient access throughout Chico and the surrounding Northern California region.

Recession-Resistant Asset Class – The non-discretionary nature of medical care and its resilience during economic uncertainty has made healthcare real estate a strategic focus for both institutional and private investors nationwide.

Passive Investment Opportunity – This property offers an excellent investment for 1031 exchange buyers seeking a high-yield asset with minimal landlord responsibilities.

NNN Lease Structure – The property benefits from a triple-net lease structure, with the tenant responsible for reimbursing real estate taxes, insurance, and operating expenses, providing investors with predictable cash flow and limited landlord expense exposure.

Inflation-Protected Cash Flow – The lease features 3% annual rent increases, offering investors built-in income growth and a great hedge against inflation.



Financial Overview

80 Declaration Dr, Chico, CA 95973



Financial Overview



\$2,390,731
List Price

7.25%
Cap Rate

±6 Years
Lease Term Remaining

\$173,328
NOI

Property Details

Tenant Name	PhyNet Dermatology
Ownership Type	Fee Simple Interest
Lease Entity	PhyNet Hodari MD Dermatology, LLC
SF Leased	7,000
Occupancy	100%
Initial Term	10 Years
Rent Commencement	10/14/2022
Lease Expiration	10/13/2032
Lease Term Remaining	6.08
Base Rent	\$173,328
Rental Increases	3% Annual
Renewal Options	2, 5 Year Options
Expense Structure	NNN

Annualized Operating Data

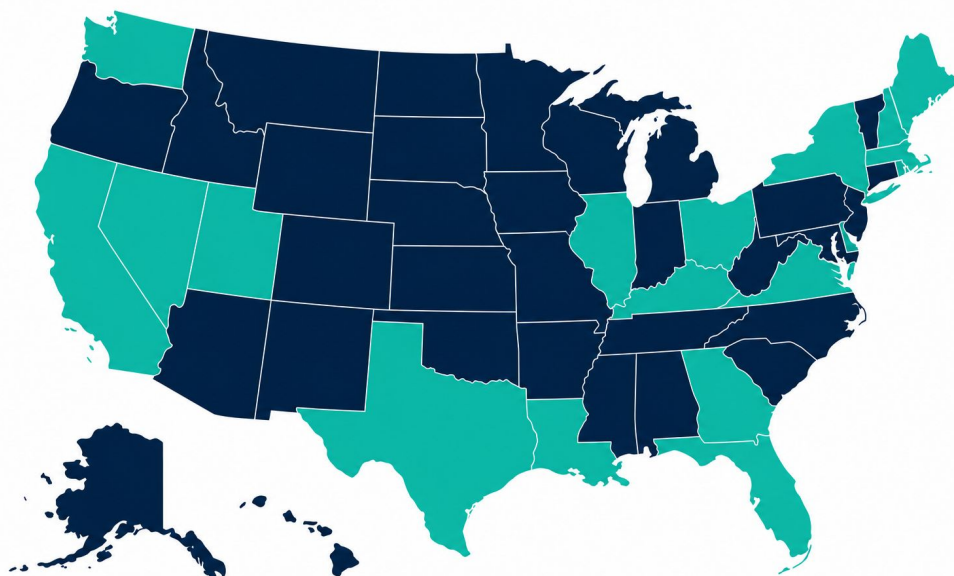
Lease Year	NOI	Monthly Rent	Rent PSF	Cap Rate
Year 1	\$154,000	\$12,833	\$22.00	6.44%
Year 2	\$158,620	\$13,218	\$22.66	6.63%
Year 3	\$163,379	\$13,615	\$23.34	6.83%
Year 4	\$168,280	\$14,023	\$24.04	7.04%
Year 5	\$173,328	\$14,444	\$24.76	7.25%
Year 6	\$178,528	\$14,877	\$25.50	7.47%
Year 7	\$183,884	\$15,324	\$26.27	7.69%
Year 8	\$189,401	\$15,783	\$27.06	7.92%
Year 9	\$195,083	\$16,257	\$27.87	8.16%
Year 10	\$200,935	\$16,745	\$28.71	8.40%

Tenant Overview



Tenant Overview

PhyNet Dermatology is a national dermatology practice management organization headquartered in Franklin, Tennessee. The company provides administrative, operational, technology, recruiting, marketing, revenue cycle management, and purchasing support to affiliated dermatology practices, allowing physicians and providers to focus on patient care. PhyNet's network currently includes 120+ locations, 280+ affiliated physicians and providers across 18 states, and more than 3 million patients served.



Year Founded
2017

Headquarters
Franklin, TN

of Practices
120+

of States Located
18

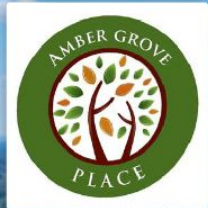
of Physicians
280+

Patients Served
3M+



ENLOE HEALTH
±298 Beds | ±3,000 Employees
±2.9 Miles

ACE Hardware
Raley's
goodwill
Save Mart
TRADER JOE'S
NEW EARTH MARKET
DOLLAR TREE
HARBOR FREIGHT
QUALITY TOOLS LOWEST PRICES
±2.5 Miles




Amber Grove
350 Homes


Chico Villas East Apartments
±105 Units


CVS pharmacy


Almond Tree RV Park
RV Park



Accucode
Medical Billing

the
DERM BAR
MED SPA
CHICO, CA

Subject Property

Golden State Hwy ±33,000 VPD


Ampla Health
Care to improve your life.

Hodari MD
DERMATOLOGY

Market Overview

80 Declaration Dr, Chico, CA 95973



Total Population
102,000

Annual Visitors
1.5 M

Tourism Economic Impact
\$378.7 M

Chico, CA GDP
\$11.08B

Chico, California is a stable regional hub in Northern California with a college-driven economy and a strong service base. Anchored by California State University, Chico, the city benefits from a steady student population that supports retail, dining, housing, and entertainment. Healthcare and government services also play a major role in the local economy, providing consistent employment and economic stability. Chico serves as the primary shopping and cultural center for surrounding rural communities, giving it a broader trade area than its population alone suggests. The market is characterized by a mix of long-term residents, students, and young professionals, with steady housing demand and an active small business environment. Overall, Chico offers a balanced, service-oriented economy with reliable regional draw and a strong community identity.

Chico, CA

Population	1-Mile	3-Mile	5-Mile
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Current Year Estimate	12,458	58,930	96,046
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Households	1-Mile	3-Mile	5-Mile
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Current Year Estimate	5,060	23,661	39,005
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Income	1-Mile	3-Mile	5-Mile
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Average Household Income	\$102,727	\$93,633	\$92,808
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Portfolio Opportunity



Available separately or as a portfolio

Address	NOI	SF	Rent/SF	Lease Type	Lease Term	Cap Rate	Rental Increases	Price/SF	Value
80 Declaration Dr, Chico, CA 95973	\$173,328	7,000	\$24.76	NNN	6.1 Years	7.25%	3% Annual	\$342	\$2,390,731
1178 Live Oak Blvd, Yuba City, CA 95991	\$66,855	2,700	\$24.76	NNN	6.1 Years	7.00%	3% Annual	\$354	\$955,075
Totals	\$240,183	9,700	\$24.76	-	-	7.18%	-	\$344	\$3,345,806



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 80 Declaration Dr, Chico, CA 95973 ("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.

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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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