



1535 SAVANNAH RD, LEWES, DE 19958

OFFERING MEMORANDUM



Corporately Guaranteed | 2.50% Annual Rent Escalations | Recently Executed 7-Year Lease Extension | Within 2 Miles of Beebe Healthcare Hospital

PERANICH
NET LEASE GROUP HUFFMAN



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BEEBE HEALTHCARE

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INVESTMENT OVERVIEW

📍 BEEBE HEALTHCARE | LEWES, DE

The Offering

Peranich Huffman Net Lease Group is pleased to offer the exclusive opportunity to acquire Beebe Healthcare, located at 1535 Savannah Road in Lewes, Delaware. The 9,240 SF single-tenant medical facility is positioned on 1.54 acres and operated by a leading regional healthcare provider. Situated less than two miles from Beebe Hospital with direct access to Coastal Highway (DE-1), the subject property offers strong visibility and convenient regional connectivity. Additionally, the subject property benefits from a steadily growing coastal population including many retirement communities, bolstering the demand for specialty medical care.

The property is leased to Beebe Medical Center under a long-term triple-net lease with 9 years of term remaining, expiring December 31, 2034. The facility plays a vital role within Beebe's outpatient care network and operates as an essential medical service provider for the Lewes-Rehoboth region. Current annual base rent is \$242,323 (\$26.23/SF), with fixed 3.00% annual increases through 2028, and 2.50% annual increases thereafter. The lease includes three (3) 5-year renewal options, each offering continued escalations, providing predictable rent growth and reinforcing income stability with minimal landlord obligations.

Beebe Healthcare (S&P: BBB- Stable), a respected not-for-profit health system, is the parent entity of Beebe Medical Center and a key provider of acute and specialty care for Delaware's coastal communities. Recognized by U.S. News & World Report as a "Best Regional Hospital," the organization operates multiple hospitals, outpatient centers, specialty clinics, and a nursing school. With its established market presence, essential healthcare services, and strong operational foundation, Beebe Healthcare offers a long-term investment opportunity supported by a mission-driven operator.

Deal Snapshot

\$3,728,000

Purchase Price

\$403.46

Price Per SF

\$242,323

Net Operating Income

6.50%

Cap Rate

Address 1535 Savannah Road, Lewes, DE 19958

Tenant Beebe Healthcare

Building Size 9,240 Square Feet

Lease Term 9+ Years of Lease Term Remaining
(3) 5-Year Renewal Options



INVESTMENT HIGHLIGHTS

📍 BEEBE HEALTHCARE | LEWES, DE

RECENT 7-YEAR LEASE EXTENSION



Beebe Healthcare reaffirmed its presence through a recently executed 7-year lease extension, securing tenancy through December 31, 2034, with three additional 5-year renewal options.

CORPORATELY GUARANTEED



The lease is corporately guaranteed by Beebe Medical Group, a leading regional not-for-profit health system with an S&P credit rating of BBB- Stable, providing for reliable cash flow supported by investment-grade credit.

MINIMAL LANDLORD OBLIGATIONS



The NNN lease places responsibility for all operating expenses and maintenance on the tenant other than the landlord's financial obligations towards the structural components.

STRATEGIC MEDICAL LOCATION



Positioned along Savannah Road with direct access to Coastal Highway (DE-1), the property benefits from strong visibility and connectivity within Delaware's growing coastal healthcare corridor.

PROXIMITY TO BEEBE HOSPITAL

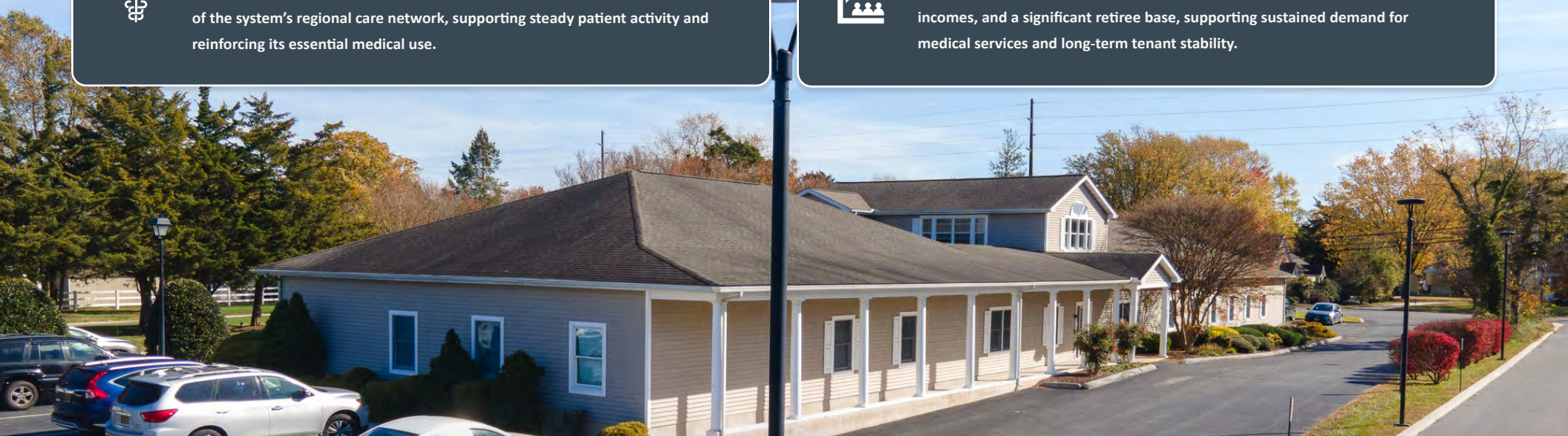


Located 1.6 miles from Beebe Hospital, the subject property operates as part of the system's regional care network, supporting steady patient activity and reinforcing its essential medical use.

STRONG MARKET DEMOGRAPHICS



The surrounding area features robust population growth, high household incomes, and a significant retiree base, supporting sustained demand for medical services and long-term tenant stability.



PROPERTY OVERVIEW

📍 BEEBE HEALTHCARE | LEWES, DE

1535 Savannah Rd, Lewes, DE 19958

Street Address

Beebe Healthcare

Tenant

9,240 Square Feet | 1.5 Acres

Building Area | Land Area

Open 5 Days/Week

Operating Schedule

NNN (Structure Only)

Lease Type

9 Years

Lease Term Remaining

12/31/2034

Lease Expiration Date

Beebe Medical Group

Corporate Guarantor

\$242,365

Annual Base Rent

3.00% Annually until 2028, 2.50% Annually Thereafter

Rent Escalations

(3) 5-Year Options

Renewal Option

2.50% Annually

Option Escalations



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SOUTHEAST VIEW

9 BEEBE HEALTHCARE | LEWES, DE

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SOUTHWEST VIEW

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SITE PLAN

📍 BEEBE HEALTHCARE | LEWES, DE



GALLERY

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GALLERY

📍 BEEBE HEALTHCARE | LEWES, DE



TENANT OVERVIEW

📍 BEEBE HEALTHCARE | LEWES, DE

Beebe Healthcare is a not-for-profit health system headquartered in Lewes, Delaware, serving Sussex County and the surrounding coastal communities. The system operates a 210-bed main hospital featuring a 24-hour ER (Level III trauma center), three satellite campuses, and multiple outpatient and specialty care centers, offering comprehensive services in cardiac, surgical, oncology, orthopedic, and women’s health care. Its extensive network ensures both accessibility and continuity of care across a predominantly residential and seasonal population, establishing Beebe Healthcare as a central pillar of the region’s healthcare infrastructure. The system’s strategic positioning serves both year-round residents and the significant seasonal influx to Delaware’s coastal resort areas.

Renowned for quality and patient outcomes, Beebe Healthcare has been consistently recognized by U.S. News & World Report as a “Best Regional Hospital.” The system has earned numerous awards and accreditations, including American Heart Association “Get With The Guidelines” recognitions for stroke and heart failure care, Blue Distinction Center designations for cardiac and maternity care, and Commission on Cancer accreditation and NAPBC certification for its breast cancer health programs. These honors reflect a steadfast commitment to clinical excellence, operational rigor, and patient safety. The healthcare system’s investment in advanced medical technology and recruitment of specialized physicians further reinforces its competitive position within the regional market.

Beebe Healthcare has been assigned an investment-grade credit rating of “BBB-” by Standard & Poor’s, indicating stable financial operations. Founded in 1916, the system serves thousands of patients annually and employs a substantial workforce across its hospital and outpatient network. As Sussex County continues to experience population growth driven by retirees and remote workers, Beebe Healthcare remains positioned to serve expanding healthcare demands in the region.



COMPANY TYPE
Non-Profit

SPECIALTY OFFICES
21

EMPLOYEES
2,800+

2024 NET INCOME
\$51M

2024 REVENUE
\$635M

CREDIT RATING
BBB- Stable

NNN LEASE STRUCTURE & CASH FLOW SCHEDULE

📍 BEEBE HEALTHCARE | LEWES, DE

Tenant's Responsibility	Expense Category	Landlord's Responsibility
-	Structural	✓
✓	Roof Repair	-
✓	Roof Replacement	-
✓	Parking Lot Repair	-
✓	Parking Lot Replacement	-
✓	HVAC Repair	-
✓	HVAC Replacement	-
✓	Interior/Non-Structural	-
✓	Property Taxes	-
✓	Insurance Premiums	-
✓	Landscaping	-
✓	Utilities	-
✓	Waste Management	-

Term Period	Annual Base Rent	Rent Increase (%)
January 2026 - December 2026	\$242,323	-
January 2027 - December 2027	\$249,593	3.0%
January 2028 - December 2028	\$255,833	2.5%
January 2029 - December 2029	\$262,228	2.5%
January 2030 - December 2030	\$268,784	2.5%
January 2031 - December 2031	\$275,504	2.5%
January 2032 - December 2032	\$282,391	2.5%
January 2033 - December 2033	\$289,451	2.5%
January 2034 - December 2034	\$296,687	2.5%
5-Year Option Period 1 January 2035 - December 2039	2.5% Annually	
5-Year Option Period 2 January 2040 - December 2044	2.5% Annually	
5-Year Option Period 3 January 2045 - December 2049	2.5% Annually	

📍 BEEBE HEALTHCARE | LEWES, DE

IMMEDIATE MAP

📍 BEEBE HEALTHCARE | LEWES, DE



LOCATION OVERVIEW

📍 BEEBE HEALTHCARE | LEWES, DE

+ Savannah Road | Lewes, DE

Savannah Road serves as a key east-west corridor connecting downtown Lewes with major residential communities, healthcare campuses, and coastal destinations throughout Sussex County. The corridor provides direct access to Beebe Healthcare's main hospital campus, U.S. Route 9 and Coastal Highway (DE-1), the region's primary commercial and commuter routes.

The surrounding area reflects the strong demographic growth of Delaware's coastal region, characterized by expanding residential developments, active adult communities, and year-round tourism activity. This dynamic environment supports robust healthcare demand, retail expansion, and continued infrastructure investment.

Prime Arterial Exposure

High visibility along high traffic Savannah Road.

Proximity to Major Healthcare Hub

Less than two miles from 24-Hour Beebe Healthcare Hospital.

Sustained Regional Growth

Population and economic expansion continue to drive demand.

Strong Demographics

Over 56,000 residents with a median household income of \$93,471 within five-mile radius.

Accessible Coastal Corridor

Direct access to U.S. Route 9 and Coastal Highway (DE-1).

Retail and Services Nearby

Close proximity to shopping, dining, and essential amenities.



BEEBE HEALTHCARE

1535 Savannah Rd, Lewes, DE



LEWES, DE

AREA OVERVIEW

📍 BEEBE HEALTHCARE | LEWES, DE

+ Lewes, DE

Lewes, Delaware, is a historic coastal city at the mouth of the Delaware Bay in eastern Sussex County. Known as “The First Town in The First State,” Lewes has evolved from a maritime settlement into one of Delaware’s most desirable coastal communities, offering a high quality of life, strong healthcare presence, and steady population growth. The city anchors the expanding Delaware Beaches region with a diverse economy supported by healthcare, education, and retail. Beebe Healthcare, headquartered in Lewes, is one of the area’s largest employers, along with the University of Delaware and TidalHealth.

Lewes benefits from well-developed infrastructure and convenient access to Coastal Highway (DE-1), the region’s primary north-south corridor. New Road, Savannah Road and King’s Highway (US-9) all connect the city to DE-1, providing Sussex County efficient access to major destinations such as Dover, Wilmington, and the Delmarva Peninsula.

+ City Fundamentals

- **Economic Base:** Healthcare, education, tourism, and retail are the primary drivers of the local economy.
- **Healthcare Anchors:** Home to major regional medical systems, Beebe Healthcare and TidalHealth.
- **Education:** University of Delaware and Cape Henlopen School District support workforce and community growth.
- **Tourism:** Cape Henlopen State Park, Lewes-Rehoboth Canal, and Cape May ferry attract visitors year-round.
- **Consumer Spending Power:** \$92,375 median household income (2023), increased by 5.6% from previous year.

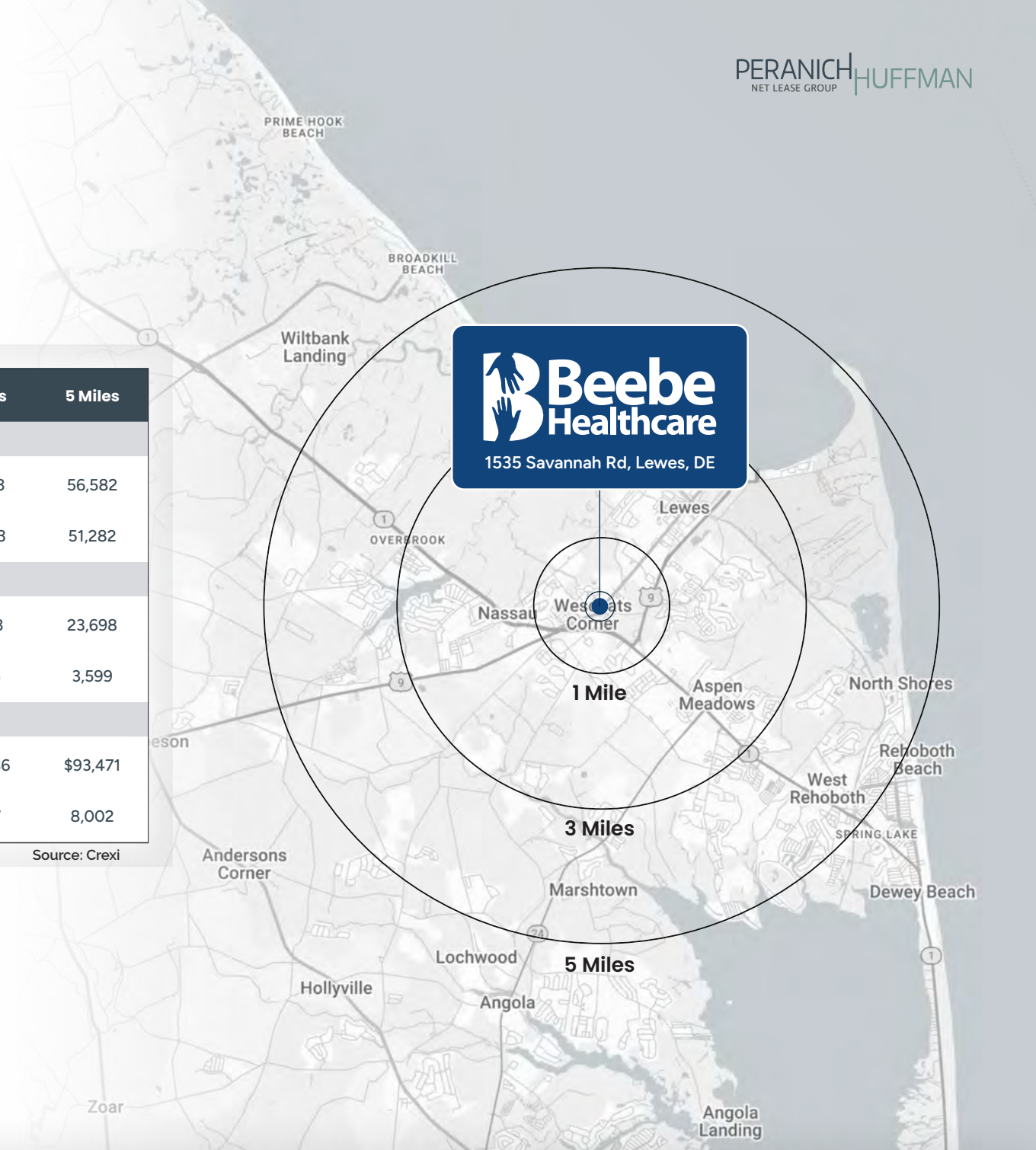


DEMOGRAPHICS

📍 BEEBE HEALTHCARE | LEWES, DE

Distance From Subject Property	1 Mile	3 Miles	5 Miles
Population			
Residents	19,183	39,873	56,582
Employed	17,215	36,003	51,282
Housing			
Homeowners	7,050	16,393	23,698
Renters	2,224	2,825	3,599
Income			
Median Household Income	\$97,895	\$95,886	\$93,471
Household Income Above \$150k	3,018	5,887	8,002

Source: Crexi



CONFIDENTIAL MEMORANDUM & DISCLAIMER

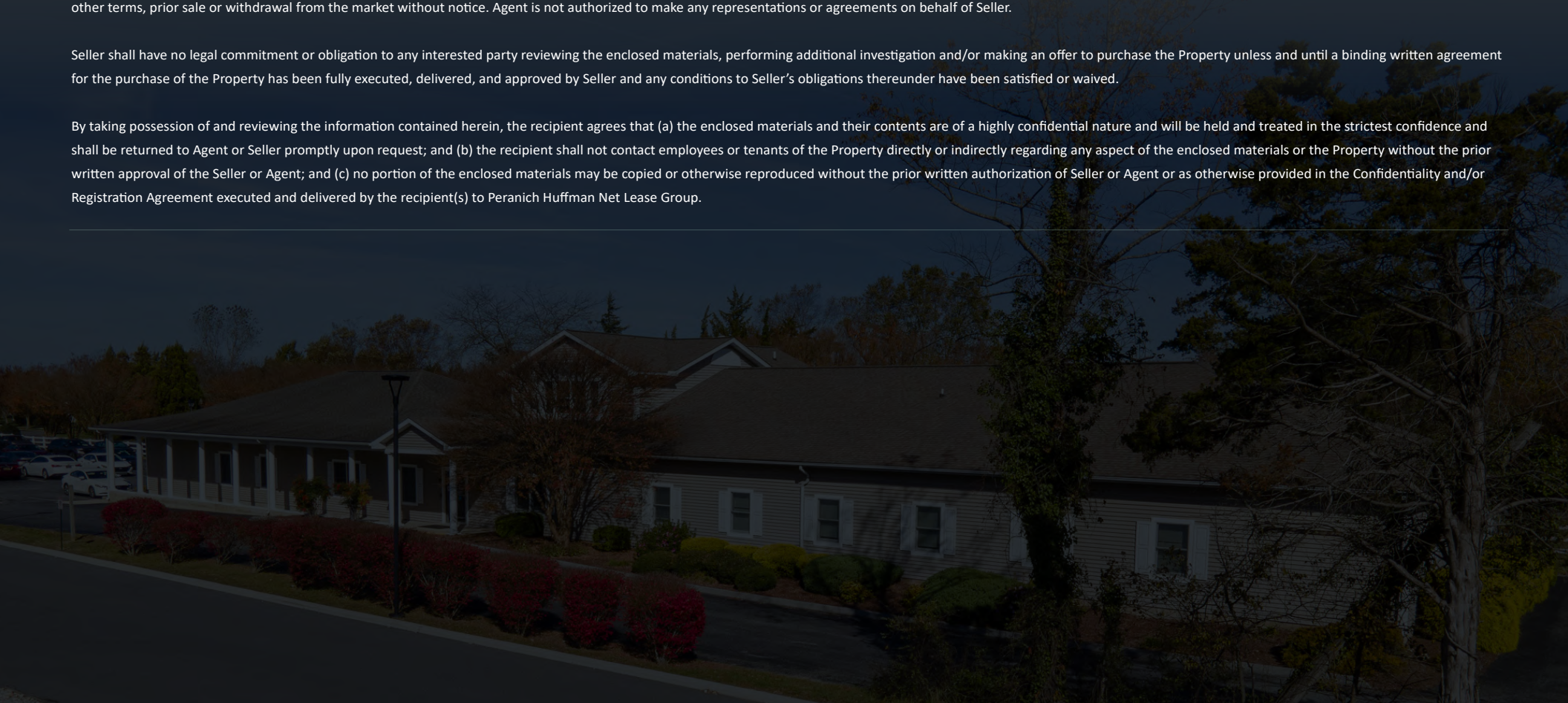
Peranich Huffman Net Lease Group (“Agent”) has been engaged as the exclusive agent for the sale of the Beebe Healthcare | Lewes, DE (the “Property”), by the owner of the Property (“Seller”). The Property is being offered for sale in an “as-is, where-is” condition and Seller and Agent make no representations or warranties as to the accuracy of the information contained in this Offering Memorandum.

The enclosed materials include highly confidential information and are being furnished solely for the purpose of review by prospective purchasers of the interest described herein. Neither the enclosed materials nor any information contained herein is to be used for any other purpose or made available to any other person without the express written consent of the Seller. Each recipient, as a prerequisite to receiving the enclosed, should be registered with Peranich Huffman Net Lease Group as a “Registered Potential Investor” or as “Buyer’s Agent” for an identified “Registered Potential Investor.” The use of this Offering Memorandum and the information provided herein is subject to the terms, provisions and limitations of the confidentiality agreement furnished by Agent prior to delivery of this Offering Memorandum. The enclosed materials are being provided solely to facilitate the prospective investor’s own due diligence for which it shall be fully and solely responsible. The material contained herein is based on information and sources deemed to be reliable, but no representation or warranty, express or implied, is being made by Agent or Seller or any of their respective representatives, affiliates, officers, employees, shareholders, partners and directors, as to the accuracy or completeness of the information contained herein. Summaries contained herein of any legal or other documents are not intended to be comprehensive statements of the terms of such documents, but rather only outlines of some of the principal provisions contained therein. Neither the Agent or the Seller shall have any liability whatsoever for the accuracy or completeness of the information contained herein or any other written or oral communication or information transmitted or made available or any action taken or decision made by the recipient with respect to the Property. Interested parties are to make their own investigations, projections and conclusions without reliance upon the material contained herein.

Seller reserves the right, at its sole and absolute discretion, to withdraw the Property from being marketed for sale at any time and for any reason. Seller and Agent each expressly reserves the right, at their sole and absolute discretion, to reject any and all expressions of interest or offers regarding the Property and/or to terminate discussions with any entity at any time, with or without notice. This offering is made subject to omissions, correction of errors, change of price or other terms, prior sale or withdrawal from the market without notice. Agent is not authorized to make any representations or agreements on behalf of Seller.

Seller shall have no legal commitment or obligation to any interested party reviewing the enclosed materials, performing additional investigation and/or making an offer to purchase the Property unless and until a binding written agreement for the purchase of the Property has been fully executed, delivered, and approved by Seller and any conditions to Seller’s obligations thereunder have been satisfied or waived.

By taking possession of and reviewing the information contained herein, the recipient agrees that (a) the enclosed materials and their contents are of a highly confidential nature and will be held and treated in the strictest confidence and shall be returned to Agent or Seller promptly upon request; and (b) the recipient shall not contact employees or tenants of the Property directly or indirectly regarding any aspect of the enclosed materials or the Property without the prior written approval of the Seller or Agent; and (c) no portion of the enclosed materials may be copied or otherwise reproduced without the prior written authorization of Seller or Agent or as otherwise provided in the Confidentiality and/or Registration Agreement executed and delivered by the recipient(s) to Peranich Huffman Net Lease Group.



An aerial photograph of the Beebe Healthcare facility. The main building is a long, single-story structure with a dark roof and white trim. It has a covered entrance area. To the left of the building is a paved parking lot with several cars parked. The surrounding area includes green lawns, trees with autumn foliage, and a white picket fence. In the background, there are other buildings and a road with a white van.

BEEBE HEALTHCARE

1535 Savannah Rd, Lewes, DE 19958

Offers should be submitted electronically to:

HARRISON WARR

at harrison@phnlg.com and include the following information:

- Purchase Price
- Closing Period
- Sources of Debt & Equity
- Earnest Money
- Other Terms

About Us

Peranich Huffman Net Lease Group is a privately held real estate brokerage firm specializing in single tenant net leased medical office investment sales throughout the nation.

Our firm facilitates the purchase & sale of commercial real estate tenanted by Dialysis Operators, Dental Offices, Plasma Centers, Surgery Centers, Vet Clinics, and Hospices.

In-State Broker | Brian Brockman | Bang Realty-Pennsylvania, Inc. | DE License #: RB-0020899