

HEARTLAND DENTAL

OFFERING MEMORANDUM

3267 HACKS CROSS RD, MEMPHIS, TN 38125



10 Years of Lease Term Remaining | Nation's Largest DSO, KKR-Backed | Expansion-Ready Infrastructure | No State Income Tax

PERANICH
NET LEASE GROUP HUFFMAN

HEARTLAND DENTAL



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HEARTLAND DENTAL

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Bridgeline Real Estate LLC

INVESTMENT OVERVIEW

📍 HEARTLAND DENTAL | MEMPHIS, TN

The Offering

Peranich Huffman Net Lease Group is pleased to exclusively present Heartland Dental, located at 3267 Hacks Cross Road in Memphis, Tennessee. This single tenant offering provides investors the opportunity to acquire a 3,971 SF purpose built dental facility fully leased to Heartland Dental, LLC under a corporate lease. Constructed in 2016 on 0.97 acres just south of affluent Germantown, the property was designed to accommodate a second suite, with plumbing and electrical infrastructure already in place for future expansion.

Heartland Dental recently executed a new 10 year lease extension through August 2036, demonstrating a significant commitment to the location. The lease features 2.0% annual rental increases throughout the term and three additional five year renewal options with continued 2.0% annual increases, providing consistent contractual income growth. The established clinic is an extremely high performing Heartland Dental practice based on revenue and net profitability, supports two full time dentists, and operates five days per week.

Heartland Dental, LLC is the largest dental support organization in the United States, supporting more than 1,900 practices across 39 states and Washington, D.C. with over 3,100 doctors and 25,000 team members. The company provides non-clinical administrative and operational support that allows affiliated dentists to focus on patient care. Heartland's national scale, steady growth, and essential service offerings provide investors with long-term stability and income security.

Deal Snapshot

\$1,552,000

Purchase Price

\$390.83

Price Per SF

\$96,978

Net Operating Income

6.25%

Cap Rate

Address

3267 Hacks Cross Rd
Memphis, TN 38125

Tenant

Heartland Dental

Lease Term

10 Years of Lease Term Remaining

Building Area

3,971 SF | 100% Occupied

Lot Area

0.97 Acres

Year Built

2016



INVESTMENT HIGHLIGHTS

📍 HEARTLAND DENTAL | MEMPHIS, TN



LONG-TERM LEASE EXTENSION WITH CONTRACTUAL GROWTH

Heartland Dental recently executed a new 10-year lease extension through August 2036, with 2.0% annual rental increases throughout the term and all option periods, providing durable income and consistent contractual NOI growth.



FUTURE EXPANSION AND VALUE ADD OPPORTUNITY

Originally designed to accommodate a second suite, the oversized 0.97 acre parcel includes plumbing and electrical infrastructure already in place for future expansion, creating potential to add another tenant and unlock incremental value.



PURPOSE-BUILT MEDICAL FACILITY WITH CONTINUED INVESTMENT

Constructed in 2016 specifically for dental and medical use, the property features specialized clinical improvements and infrastructure that would be costly to replicate, and Heartland Dental is investing additional capital into the facility, further demonstrating its long-term commitment to the location.



AFFLUENT GERMANTOWN AREA AND FAVORABLE TENNESSEE TAX ENVIRONMENT

Positioned just south of Germantown, one of the Memphis MSA's most affluent communities, where median household income of \$149,920 is nearly double the national figure, the property also benefits from Tennessee's no-state-income-tax environment and proximity to the FedEx World Headquarters campus.



HIGH-PERFORMING ESTABLISHED DENTAL PRACTICE

The location is a high-performing Heartland Dental practice by revenue and net profitability (financials available upon request), supported by two full-time dentists and a five-day operating schedule that reinforce long-term occupancy.



CORPORATE-BACKED HEARTLAND DENTAL TENANCY

The property is 100% leased directly to Heartland Dental, LLC under a full corporate lease, giving investors exposure to the nation's largest dental support organization while eliminating individual-dentist or franchisee credit risk.

FUTURE EXPANSION & VALUE-ADD OPPORTUNITY

📍 HEARTLAND DENTAL | MEMPHIS, TN



HEARTLAND
DENTAL

EXPANSION-READY SITE
Plumbing & Electrical in Place

HACKS CROSS RD

PROPERTY OVERVIEW

📍 HEARTLAND DENTAL | MEMPHIS, TN

3267 Hacks Cross Rd, Memphis, TN 38125

Full Address

Heartland Dental

Tenant

3,971 Square Feet | 100% Occupied

Building Area | Occupancy

Open 5 Days/Week

Operating Schedule

Net Lease

Lease Type

10.0 Years

Lease Term Remaining

08/31/2036

Lease Expiration Date

Heartland Dental, LLC

Lessee Entity

\$96,978

Annual Base Rent

2.0% Annually

Rent Escalations

(3) 5-Year Options

Renewal Option

2% Annual

Option Escalations



SOUTH WEST VIEW

📍 HEARTLAND DENTAL | MEMPHIS, TN

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SOUTH VIEW

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FedEx
Corporation
GLOBAL HEADQUARTERS



HEARTLAND
DENTAL

HACKS CROSS RD

EAST VIEW

📍 HEARTLAND DENTAL | MEMPHIS, TN



SITE PLAN

📍 HEARTLAND DENTAL | MEMPHIS, TN



GALLERY

9 HEARTLAND DENTAL | MEMPHIS, TN



GALLERY

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NET LEASE STRUCTURE & CASH FLOW SCHEDULE

📍 HEARTLAND DENTAL | MEMPHIS, TN

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

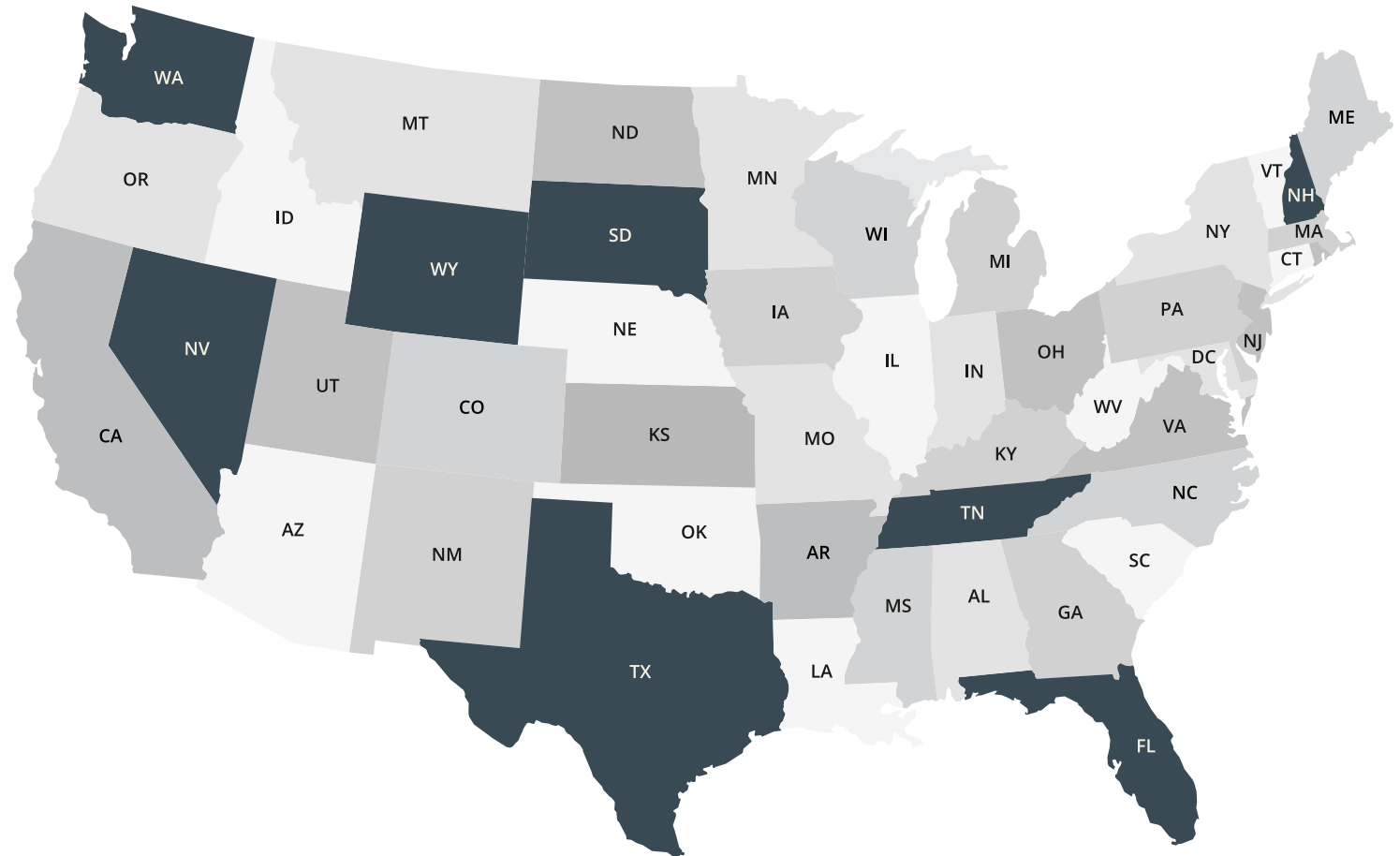
*Landlord is responsible for maintaining the roof; however, ordinary roof repairs are recoverable from the Tenant through Operating Charges, while responsibility for capital roof replacement and HVAC repair/replacement is not expressly defined under the lease.

Term Period	Annual Base Rent	Rent Increase (%)
September 2026 - August 2027	\$96,978	-
September 2027 - August 2028	\$98,918	2.00%
September 2028 - August 2029	\$100,896	2.00%
September 2029 - August 2030	\$102,914	2.00%
September 2030 - August 2031	\$104,972	2.00%
September 2031 - August 2032	\$107,072	2.00%
September 2032 - August 2033	\$109,213	2.00%
September 2033 - August 2034	\$111,397	2.00%
September 2034 - August 2035	\$113,625	2.00%
September 2035 - August 2036	\$115,898	2.00%
5-Year Option Period 1 September 2036 - August 2041	2.00% Annually	
5-Year Option Period 2 September 2041 - August 2046	2.00% Annually	
5-Year Option Period 3 September 2046 - August 2051	2.00% Annually	

NON-INCOME TAX STATE

📍 HEARTLAND DENTAL | MEMPHIS, TN

- Alaska
- Florida
- Nevada
- New Hampshire
- South Dakota
- **Tennessee**
- Texas
- Washington
- Wyoming



Tennessee is one of only a limited number of U.S. states with no state income tax, creating a favorable financial environment for both businesses and residents. The state's pro-business tax structure continues to attract corporate investment, population growth, and long-term economic development throughout the region. This tax-friendly environment supports continued commercial expansion across Tennessee while enhancing overall affordability for employers and consumers. As a result, the state remains attractive for healthcare operators, retailers, and investors seeking stable long-term growth within a business-friendly market.

TENANT OVERVIEW

📍 HEARTLAND DENTAL | MEMPHIS, TN

Founded in 1997, Heartland Dental, LLC is the nation's largest dental support organization (DSO), providing non-clinical, administrative support services to more than 3,100 supported doctors across 1,900+ affiliated locations in 39 states and Washington, D.C. Majority-owned by KKR, a leading global investment firm, Heartland Dental delivers a proven platform that enables supported dentists to focus on patient care while benefiting from institutional-level operational resources.

Heartland's comprehensive support includes human resources, marketing, IT, supply chain management, insurance credentialing, and accounting, ensuring consistent operational efficiency across its network. The company is also recognized as an industry leader in continuing education and leadership development, offering extensive training programs for supported doctors, hygienists, and team members.

Through a combination of strategic affiliations and de novo development, Heartland Dental continues to expand its national footprint, reinforcing its position as the most scaled and diversified DSO in the United States. This growth trajectory, coupled with its strong private equity backing, underscores the company's long-term stability, creditworthiness, and commitment to advancing high-quality dental care nationwide.

IN THE NEWS | MAY 2026

"S&P Global Ratings raised its issuer credit rating on Heartland Dental to 'B' from 'B-' in May 2026, citing strong 2025 performance (revenue up 7.3%, driven by same-office growth, higher patient volumes, and improved reimbursement rates) and forecasting high-single-digit revenue growth through 2027, funded largely through internal cash flow rather than added debt."



COMPANY TYPE
Private (LLC)

MAJORITY OWNER
KKR
(a leading global investment firm)

SECTOR
Dental Services

SUPPORTED DOCTORS
3,100+

LOCATIONS
1,900+

STATES
39

IMMEDIATE MAP

📍 HEARTLAND DENTAL | MEMPHIS, TN



LOCATION OVERVIEW

📍 HEARTLAND DENTAL | MEMPHIS, TN

+ Hacks Cross Road | Memphis, Tennessee

Located along Hacks Cross Road in southeast Memphis, the property is positioned within an established commercial corridor supported by national retailers, including Costco, Kroger, Walmart, Sam's Club, and Lowe's, as well as additional shopping and dining destinations that generate consistent consumer activity. The broader trade area is further anchored by Dick's Sporting Goods, Marshalls, and Topgolf, reinforcing the surrounding retail base.

Hacks Cross Road provides convenient connections to Winchester Road and State Route 385, supporting access throughout southeast Memphis and the broader metropolitan area. The corridor also benefits from its proximity to the FedEx World Headquarters, a 1.2-million-square-foot corporate campus comprising nine buildings across 102 acres and located along Hacks Cross Road near the subject property.

LOCATION HIGHLIGHTS

Major Corporate Presence

Proximity to the FedEx World Headquarters supports a substantial daytime employment base in southeast Memphis.

Established Retail Corridor

Surrounded by major national retailers, restaurants, and neighborhood services that drive consistent consumer activity

Strong Surrounding Trade Area

Dense residential communities and proximity to affluent Germantown support demand for healthcare, retail, and everyday services.

Regional Connectivity

Convenient access to Winchester Road and State Route 385 provides connections throughout the Memphis metropolitan area.



HEARTLAND DENTAL

3267 Hacks Cross Rd, Memphis, TN 38125



MEMPHIS, TN

AREA OVERVIEW

📍 HEARTLAND DENTAL | MEMPHIS, TN

+ Memphis, TN

Memphis, Tennessee, is a major economic center in the Mid South, supported by logistics, healthcare, manufacturing, and distribution. Major employers and institutions include FedEx, AutoZone, St. Jude Children's Research Hospital, and other nationally recognized companies.

The area benefits from extensive connectivity through Interstates 40, 55, and 240, along with major rail, air, and freight networks. Southeast Memphis features established residential communities and commercial corridors, while nearby Germantown provides affluent demographics and strong consumer activity supporting surrounding businesses and services.

CITY HEALTH FUNDAMENTALS

- **Leading Industries:** Transportation & Warehousing, Health Care & Social Assistance, and Retail Trade anchor employment.
- **Major Employers:** Notable employers include FedEx Corporation, St. Jude Children's Research Hospital, and First Horizon Corporation.
- **Emerging Retail:** National retailers continue to expand across the Memphis market, including recent openings by Aldi and Primark, reflecting sustained commercial demand.
- **Major Highways:** I-40, I-55, and State Route 385 provide regional access, with SR-385 and Winchester Road serving the immediate southeast Memphis submarket.



DEMOGRAPHICS

📍 HEARTLAND DENTAL | MEMPHIS, TN

Distance From Subject Property	1 Mile	3 Miles	5 Miles
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Population

Population	8,036	64,931	170,588
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Employed	9,296	38,187	99,549
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Housing

Homeowners	1,408	14,833	36,605
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Renters	2,199	10,364	28,960
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Income

Average Household Income	\$124,732	\$121,800	\$114,663
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Median Household Income	\$108,381	\$96,750	\$87,884
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Source: CoStar (2025)


HEARTLAND
DENTAL

3267 Hacks Cross Rd, Memphis, TN 38125

CONFIDENTIAL MEMORANDUM & DISCLAIMER

Peranich Huffman Net Lease Group ("Agent") has been engaged as the exclusive agent for the sale of the Heartland Dental | Memphis, TN (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.





HEARTLAND DENTAL

3267 Hacks Cross Rd, Memphis, TN 38125

Offers should be submitted electronically to:

LUCAS ZEMLICKA

at lucas@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 | Jeremy Halback | Bridgeline Real Estate LLC | TN License #: 267032