FOR SALE

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SINGLE-TENANT ORTHODONTIC

5718 Balcones Drive

Austin, TX 78731

austin orthodontic arts

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PARTNERS MEDICAL INVESTMENT GROUP

Investment Summary

$2,375,000

ASKING PRICE

$545.85 per SF

6.41%

GOING-IN CAP RATE

On 2027 income

$152,326

2027 NET OPERATING INCOME

NN, insurance carved out

BUILDING SIZE	4,351 SF
LOT SIZE	0.47 Acres
YEAR BUILT	1996
OCCUPANCY	100% Leased
TERM REMAINING	5.25 Years

Strong Local Reputation, National Backing

01 The Tenant Already Committed

Option exercised early. 5.25 years remain, plus one more 5 year option.

02 Backed by 800+ Practices

MB2 Dental is the largest dental partnership organization in the country.

03 Recent Building Improvements

In the past 3 years: roof, gutters, paint, hot water heater, HVAC.

04 A Practice Rooted Since 1988

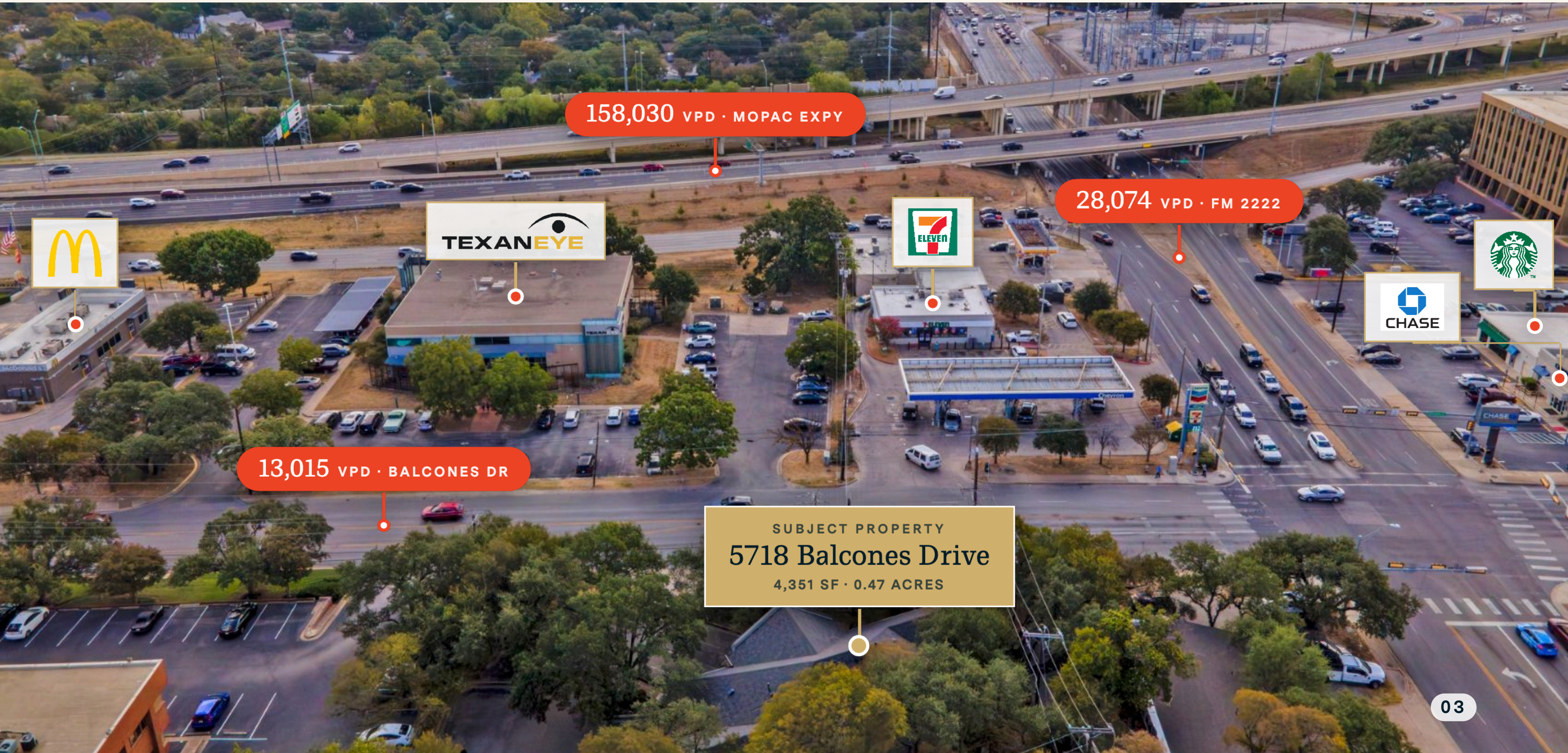
Austin Orthodontic Arts has served this neighborhood for more than three decades.

05 4.9 Stars, 650+ Reviews

Patient loyalty that makes relocation costly and renewal the obvious choice.

06 $169,466 Average Income

One-mile household income supports elective orthodontic and dental spending.



Interior

Interior Detail

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Tenant Profile

MB2 Dental Solutions, LLC

LEASE TENANT · 4,351 SF · 100% OF BUILDING

- The first and largest Dental Partnership Organization in the country, founded 2007.
- Doctors keep equity in the operating company and full clinical control, unlike a DSO rollup.
- Backed by Warburg Pincus, one of the longest-established private equity firms in healthcare.
- Headquartered in Carrollton, Texas, founded by Dr. Chris Steven Villanueva.
- MB2 handles billing, HR, marketing, compliance, and technology so the practice stays clinical.
- Here that means Dr. Naj owns the operating company while MB2 carries the lease.

800+	45	$525M	$2.3B
Affiliated practices	States	Warburg Pincus, 2024	Debt facility, 2024

Austin Orthodontic Arts

OPERATING PRACTICE

- Roots to 1988, formalized in 2006 by Dr. David Hime and Dr. Nick Salome.
- Dr. Hime has handed the practice to Dr. Kaveh Najibfard, who trained under both during his residency.
- Braces, clear aligners, and early intervention care for children, teens, and adults.
- One of the longest continuously operating orthodontic practices in Austin.

1988	4.9★
Practice roots	650+ reviews
1	100%
Austin location	Board certified

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Financials

LEASE ABSTRACT

TENANT (LEGAL)	MB2 Dental Solutions, LLC
OPERATING PRACTICE	Austin Orthodontic Arts
RENTABLE SF	4,351 SF · 100%
COMMENCEMENT	January 1, 2022
CURRENT TERM EXPIRES	December 31, 2031
TERM REMAINING	5.25 Years
OPTIONS REMAINING	One × 5-Year
ANNUAL INCREASES	2.00%
2027 BASE RENT	$150,356.48
RENT PSF (2027)	$34.56

2027 OPERATING SUMMARY

INCOME	
Base Rent	$150,356.48
Capital Expense Reimbursement	$7,969.54
Total Income	**$158,326.02**
EXPENSES	
Taxes, Utilities, Operating	Tenant Paid
Property Insurance (Est.)	($6,000.00)
Net Operating Income	**$152,326.02**

ANNUAL PROPERTY INSURANCE

- Underwriting assumes $6,000 per year.
- Current Chubb renewal runs $8,505, above market.
- Guard quoted $4,714 and United Fire $4,274 for comparable coverage.

Rent Schedule & Capital Recovery

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YR	TERM	PERIOD	ANNUAL	MONTHLY
1	Primary	1/1/22 - 12/31/22	$136,182.50	$11,348.54
2	Primary	1/1/23 - 12/31/23	$138,906.15	$11,575.51
3	Primary	1/1/24 - 12/31/24	$141,684.27	$11,807.02
4	Primary	1/1/25 - 12/31/25	$144,517.96	$12,043.16
5	Primary	1/1/26 - 12/31/26	$147,408.32	$12,284.03
6	**Renewal 1**	**1/1/27 - 12/31/27**	**$150,356.48**	**$12,529.71**
7	Renewal 1	1/1/28 - 12/31/28	$153,363.61	$12,780.30
8	Renewal 1	1/1/29 - 12/31/29	$156,430.89	$13,035.91
9	Renewal 1	1/1/30 - 12/31/30	$159,559.50	$13,296.63
10	Renewal 1	1/1/31 - 12/31/31	$162,750.69	$13,562.56
11	Renewal 2	1/1/32 - 12/31/32	$166,005.71	$13,833.81
12	Renewal 2	1/1/33 - 12/31/33	$169,325.82	$14,110.49
13	Renewal 2	1/1/34 - 12/31/34	$172,712.34	$14,392.69
14	Renewal 2	1/1/35 - 12/31/35	$176,166.58	$14,680.55
15	Renewal 2	1/1/36 - 12/31/36	$179,689.92	$14,974.16

2027 is the going-in year, highlighted. Renewal 2 is the one option still available to the tenant.

AMORTIZED CAPITAL IMPROVEMENTS

IMPROVEMENT	COST	LIFE	2027	THRU
HVAC Replacement	$12,586	10 Yr	$1,836.00	2032
Hot Water Heater	$5,908	10 Yr	$860.14	2033
Roof, Gutter & Paint	$44,814	20 Yr	$4,498.08	2045
Fountain Repair	$5,325	10 Yr	$775.32	2035
Total 2027	–	–	$7,969.54	–

CAPITAL RECOVERY

Capital expenditures are amortized over the useful life of the improvement at 8% interest and reimbursed by the tenant as additional rent, per Section 3.2 of the lease.

Market & Demographics

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WITHIN ONE MILE

$169,466
Average household income

1,761
Residents age 5 to 19

35.5%
Of households earn $200K or more

1,019
Married-with-children households

RADIUS	1 MILE	3 MILE	5 MILE
2025 Population	10,787	110,280	325,039
Households	4,831	53,173	144,670
Residents Age 5–19	1,761	15,449	48,006
Married w/ Children	1,019	7,970	18,646
Households $200K+	1,714	13,851	29,224
Avg. HH Income	$169,466	$141,829	$122,948
Med. HH Income	$138,139	$104,471	$86,972
Owner Occupied	64.5%	47.4%	36.7%

Source: CoStar Demographic Detail Report, September 2026. 2025 estimates. Orthodontic demand tracks school-age population and household income.

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Brokerage Services

Texas law requires all real estate license holders to give the following information about brokerage services to prospective buyers, tenants, sellers and landlords.

A BROKER'S MINIMUM DUTIES

Put the interests of the client above all others, including the broker's own interests; inform the client of any material information about the property or transaction received by the broker; answer the client's questions and present any offer to or counter-offer from the client; and treat all parties to a real estate transaction honestly and fairly.

AS AGENT FOR OWNER (SELLER/LANDLORD)

The broker becomes the property owner's agent through an agreement with the owner, usually in a written listing to sell or property management agreement.

AS AGENT FOR BUYER/TENANT

The broker becomes the buyer/tenant's agent by agreeing to represent the buyer, usually through a written representation agreement.

AS AGENT FOR BOTH — INTERMEDIARY

To act as an intermediary between the parties the broker must first obtain the written agreement of each party. The written agreement must state who will pay the broker and, in conspicuous bold or underlined print, set forth the broker's obligations as an intermediary. The broker must treat all parties honestly and may, with written consent, appoint a different license holder associated with the broker to each party to communicate with, provide opinions and advice to, and carry out instructions of each party.

AS SUBAGENT

A license holder acts as a subagent when aiding a buyer in a transaction without an agreement to represent the buyer. A subagent can assist the buyer but does not represent the buyer and must place the interests of the owner first.

TO AVOID DISPUTES

All agreements between you and a broker should be in writing and clearly establish the broker's duties and responsibilities to you, and your obligations. A broker's duties and responsibilities are set by the Texas Real Estate Commission. This notice is being provided for information purposes and does not create an obligation for you to use the broker's services.

LICENSED BROKER	LICENSE NO.	EMAIL	PHONE
PCR Brokerage Austin, LLC dba Partners	9003950	licensing@partnersrealestate.com	512 982 9800
DESIGNATED BROKER	**LICENSE NO.**	**EMAIL**	**PHONE**
Jon Silberman	389169	jon.silberman@partnersrealestate.com	713 629 0500

Regulated by the Texas Real Estate Commission. Information available at www.trec.texas.gov. TREC Form IABS 1-0 Date 11-03-2025.