



Bender
COMMERCIAL

EXCLUSIVE OFFERING MEMORANDUM

SINGLE TENANT NET LEASE CLASS A MEDICAL OFFICE BUILDING
15 Years Remaining Lease Term · Investment Grade Credit Tenant

\$5.48MM · 6.75% CAP RATE

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INVESTMENT HIGHLIGHTS

ADDRESS	2020 Hospital Drive, Windom, MN
PRICE	\$5,481,000
CAP RATE	6.75%
TENANT	Avera McKennan
CREDIT RATING	AA- (S&P, Fitch)
LEASE STRUCTURE	Single Tenant Absolute Triple Net
REMAINING LEASE TERM	15 Years Remaining with two (2) five (5) year options to extend
RENT ESCALATIONS	5% every five years
PROPERTY USE	Build-To-Suit Medical Office Building
YEAR BUILT	2020
SQUARE FEET	12,541 SF
PARKING	48 Surface Spaces (3.83/1,000 Parking Ratio)
LOT	6.52 Acres

No buyer broker fee paid by seller.

The owner is a licensed real estate broker in the state of Minnesota.





AA-

CREDIT RATING
(FITCH)

22,600

EMPLOYEES

37

HOSPITALS

\$3.2 Billion

2024 AUDITED
OPERATING REVENUES

\$1.8 Billion

2024 AUDITED LIQUIDITY

315

TOTAL LOCATIONS

Data for the overall Avera Health System

Avera Health is a fully integrated, non-profit health system headquartered in Sioux Falls, South Dakota. Its operations span more than 300 care sites across five states: South Dakota, Minnesota, Iowa, Nebraska, and North Dakota.

The system provides a broad spectrum of services, from primary and specialty care (including oncology, heart & vascular, neurosurgery, orthopedics, women's health, and behavioral health) to home care, hospice, long-term care and insurance offerings through Avera Health Plans.

Avera brings the stability of a large, mission-driven institution committed to serving major regional markets and rural communities, like Windom, MN, across the Upper Midwest.



The Tenant, Avera McKennan, is the flagship hospital and largest operating subsidiary comprising over 60% of operating revenues for Avera Health and is a joint and several guarantor and obligated party on their credit-rated bonds.

Avera's footprint covers a vast and largely underserved region in the Upper Midwest. It serves a population across roughly 72,000 square miles and 86 counties, with over one million residents in its service area. Its multi-state presence includes major centers and regional campuses in South Dakota (including Sioux Falls, Pierre, Yankton), Minnesota, Iowa and Nebraska.

Avera Health is widely regarded as a regional healthcare and business leader and is a strong institutional tenant with stable financial and operational fundamentals. The system maintains a diversified revenue base supported by a large regional network of hospitals, clinics, and specialty centers, which helps ensure consistent patient volumes and long-term growth.

Avera's disciplined management practices, strategic growth across multiple states, and commitment to maintaining modern, well-equipped facilities make it ideal for a single tenant net lease investment property.

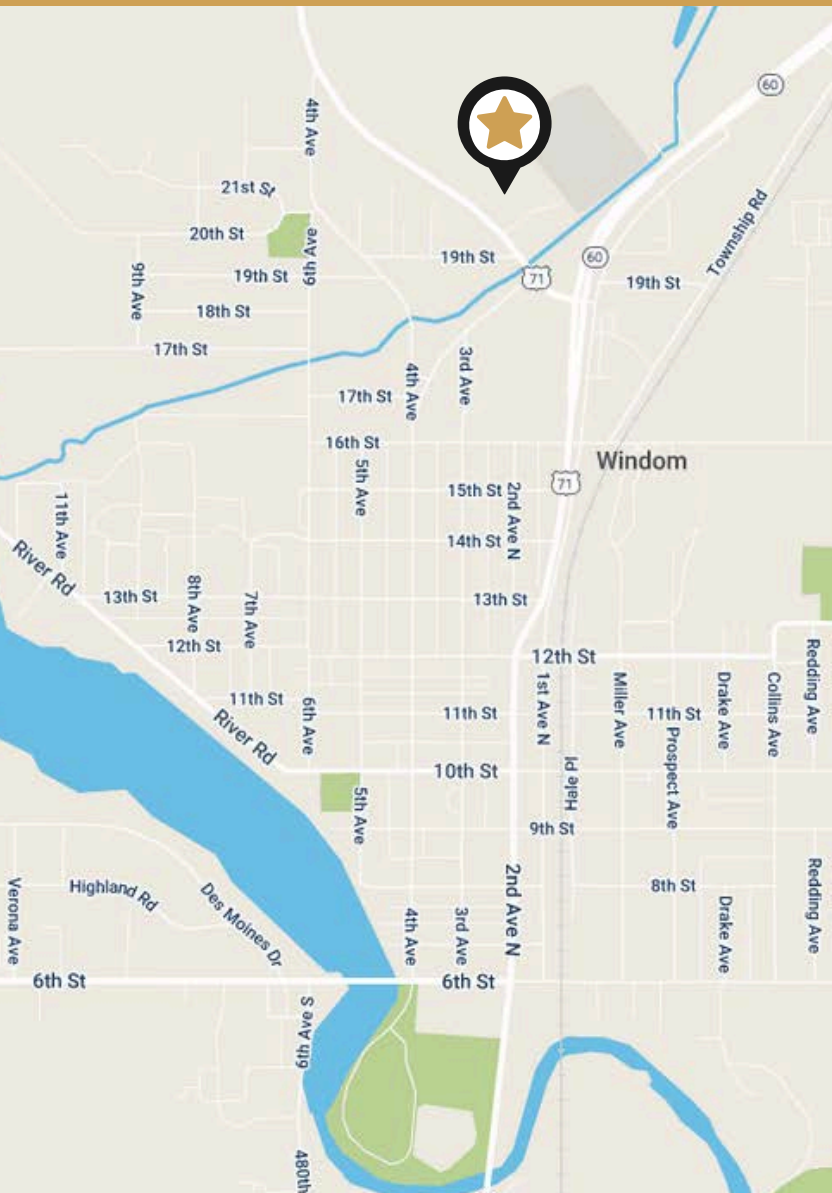
RENT SCHEDULE



PERIOD	DATE	BASE RENT
Year 1	12/1/2025	\$370,023.15
Year 2	12/1/2026	\$370,023.15
Year 3	12/1/2027	\$370,023.15
Year 4	12/1/2028	\$370,023.15
Year 5	12/1/2029	\$370,023.15
Year 6	12/1/2030	\$388,524.30
Year 7	12/1/2031	\$388,524.30
Year 8	12/1/2032	\$388,524.30
Year 9	12/1/2033	\$388,524.30
Year 10	12/1/2034	\$388,524.30
Year 11	12/1/2035	\$407,950.51
Year 12	12/1/2036	\$407,950.51
Year 13	12/1/2037	\$407,950.51
Year 14	12/1/2038	\$407,950.51
Year 15	12/1/2039	\$407,950.51
Extension Option 1	12/1/2040	\$428,348.04
Extension Option 1	12/1/2041	\$428,348.04
Extension Option 1	12/1/2042	\$428,348.04
Extension Option 1	12/1/2043	\$428,348.04
Extension Option 1	12/1/2044	\$428,348.04
Extension Option 2	12/1/2045	\$449,765.44
Extension Option 2	12/1/2046	\$449,765.44
Extension Option 2	12/1/2047	\$449,765.44
Extension Option 2	12/1/2048	\$449,765.44
Extension Option 2	12/1/2049	\$449,765.44



LOCATION



KEY FACTS

5,759
Population

2.3
Average
Household Size

41.2
Median Age

\$66,359
Median Household
Income

BUSINESS

301
Total Businesses

3,411
Total Employees

EMPLOYMENT

52.6%
White Collar

30.8%
Blue Collar

16.6%
Services

6.0%
Unemployment
Rate

INCOME

\$66,359
Median Household
Income

\$34,898
Per Capita Income

\$204,184
Median Net Worth

EDUCATION

6.3%
No High School
Diploma

35.8%
High School
Graduate

32.9%
Some College/
Associate's
Degree

25.0%
Bachelor's/Grad/
Prof Degree

HOUSING STATS

\$183,182
Median Home
Value

\$9,718
Average Spent on
Mortgage & Basics

\$586
Median Contract
Rent

DISCLAIMER



The owner is a licensed real estate broker in the state of Minnesota.

DISCLAIMER

The information provided in this Offering Memorandum has been derived from sources deemed reliable. However, it is subject to errors, omissions, price change and/or withdrawal, and no warranty is made as to the accuracy. Further, no warranties or representation shall be made by Bender Commercial or its agents, representatives, or affiliates regarding oral statements that have been made in the discussion of the property. This presentation prepared by Bender Commercial was sent to the recipient under the assumption that s/he is a buying principal. Any potential purchaser is advised that s/he should either have the abstract covering the real estate which is the subject of the contract examined by an attorney of his/her selection or be furnished a policy of title insurance.

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FOR MORE INFORMATION, CONTACT:



MICHAEL BENDER, CCIM, SIOR

Cell: 605.359.4251 | Direct: 605.782.1678

michael@benderco.com

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305 West 57th Street, Sioux Falls, South Dakota 57108 · benderco.com