

Offering Memorandum

UTICA CREST MEDICAL BUILDING

3740 Utica Ridge Rd | Bettendorf, IA 52722





Exclusively Listed By / In Conjunction With: Adam Marek | Broker of Record | License No. F03991000 (IA)



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PROPERTY OVERVIEW

Utica Crest Medical Office
3740 Utica Ridge Rd, Bettendorf, IA



Executive Summary

The Opportunity

Matthews is pleased to present a strong medical office investment opportunity in Bettendorf, Iowa, featuring two established tenants and a third suite available for immediate lease-up. The property offers stable, long-term cash flow supported by essential healthcare uses, minimal landlord responsibilities through NNN lease structures, and scheduled annual rent increases.

UnityPoint Clinic anchors the building with more than 17,000 square feet and a long operating history in the Quad Cities. UnityPoint Health carries an AA- credit rating with a Stable Outlook from Fitch Ratings, reinforcing the system's financial strength and long-term reliability. As one of the region's largest healthcare networks, UnityPoint serves millions of patients annually across Iowa, Illinois, and Wisconsin, offering institutional-level stability, strong brand recognition, and consistent patient volumes. Complementing the the tenancy is Growing with Grace, a developmentally focused pediatric support center. Both tenants operate under NNN leases with fixed annual increases, reinforcing the predictable and low-maintenance nature of the investment.

Located along Utica Ridge Road within Bettendorf's core commercial and medical corridor, the property benefits from excellent visibility, strong household income levels, and proximity to major healthcare users throughout the Quad Cities. The surrounding area boasts a dense population base, high homeownership rates, and sustained demand for outpatient medical services. With recent renovations completed in 2024 and a clear path to additional upside through leasing the remaining 6,521 square foot vacancy, this asset represents a compelling opportunity for investors seeking durable healthcare income with value-add potential in a thriving Midwest market.



Investment Highlights

Recent Capital Investment: In the past year, ownership invested over \$400K in major improvements, including a full roof replacement, while UnityPoint separately invested ~\$130K in interior upgrades. These upgrades reduce near-term CapEx exposure and reinforce tenant commitment.

High-Visibility Corridor: Located just off I-74 with $\pm 35,000$ VPD, the site provides convenient access and proximity to major employment centers.

Proximity to Major Medical Hub: The property is less than one mile from UnityPoint Health – Trinity Bettendorf, reinforcing long-term demand for healthcare services. Since opening in 2004, the 139-bed hospital has doubled admissions and experienced a 144% increase in patient-days.

Dense, Affluent Demographics: More than 150k residents live within 5-miles, with above-average household incomes that support both medical and childcare tenancy.

Investment Grade Credit: UnityPoint carries an AA- rating from Fitch, placing it among the highest-rated nonprofit health systems in the Midwest.

Strong Financial Performance with Scale: With 17 hospitals, 400+ clinics, 8M annual patient visits and \$5.4B in revenue, UnityPoint's scale and 31,000 employees reinforce its strength as a long-term tenant.

Low Maintenance, Value Add Opportunity: The existing leases are structured on a NNN basis, resulting in minimal landlord responsibilities and predictable, pass-through expense reimbursement. Additionally, the remaining vacancy provides clear value add potential through lease-up, allowing an investor to increase NOI and enhance overall returns.

Strong Annual Rent Growth: The two tenants generate a weighted average annual increase of 4.65%, which is well above typical medical office benchmarks and provides a strong hedge against inflation.



RETAIL CORRIDOR
MAJOR TENANTS



ALDI
ASPEN DENTAL
BEST BUY
CHIPOTLE
CHICK FIL A
DAVID'S BRIDAL
FEDEX
FURNITURE ROW
IHOP
MEINEKE
PLATOS CLOSET
TACO BELL
VERIZON
ETC.



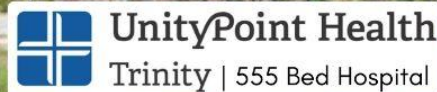
DAVENPORT COMMONS
SHOPPING CENTER



NORTH RIDGE
SHOPPING CENTER



± 35,100 VPD



Tanglefoot Ln ± 10,000 VPD

Subject Property

Utica Ridge Rd ± 16,000 VPD





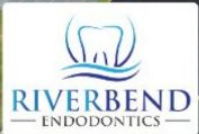
Spruce Hills Dr
± 24,800 VPD



Tanglefoot Ln
± 10,000 VPD



Subject Property



Utica Ridge Rd ± 16,000 VPD

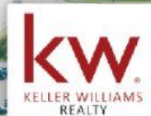




Spruce Hills Dr ± 24,800 VPD



± 35,100 VPD



Subject Property

Utica Ridge Rd ± 16,000 VPD



FINANCIAL OVERVIEW

Utica Crest Medical Office
3740 Utica Ridge Rd, Bettendorf, IA



Offering Summary

\$4,115,000
List Price

7.50%
Cap Rate

\$136.79
Price/SF

\$308,620
NOI

±5.0 Year
WALT

Property Summary

Property Address	3740 Utica Ridge Rd, Bettendorf, IA
Ownership Type	Fee Simple
GLA (SF)	±30,082 SF
Lot Size (AC)	±4.68 AC
Year Built/Renovated	1974/2024
Occupancy	78.32%
Roof	2024
Property Type	Medical Office Building
Property Taxes	Tenant Reimburses Landlord
Property Insurance	Tenant Reimburses Landlord
Repairs & Maintenance	Tenant Reimburses Landlord

Soft Quote

LTV	Up to 70%
Interest Rate	5.75-6.25%
Amortization	25 Years
Interest Only (I/O)	Potential for 6-12 Months
Prepayment Penalty	Flexible / No Prepay



Financial Summary

For Rent Roll, please contact:

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Financial Overview

INCOME	Total	\$/SF
Rental Income	\$339,945	\$14.43
CAM Reimbursements	\$170,737	\$7.25
CAM Reconciliation	\$52,926	\$2.25
Effective Gross Income	\$563,608	\$18.74
EXPENSES		
Property Taxes	\$108,997	\$3.62
Property Insurance	\$15,773	\$0.52
CAM	\$130,218	\$4.33
Total Operating Expenses	\$254,987	\$8.48
NET OPERATING INCOME	\$308,620	\$10.26

Pro Forma Summary

Pro Forma Investment Overview | \$4,115,000 List Price | \$437,896 NOI | 10.64% Cap Rate

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Financial Overview

INCOME	Total	\$/SF
Rental Income	\$437,896	\$14.56
CAM Reimbursements	\$215,976	\$7.18
CAM Reconciliation	\$68,193	\$2.27
Effective Gross Income	\$722,065	\$24.00
EXPENSES		
Property Taxes	\$108,997	\$3.62
Property Insurance	\$15,773	\$0.52
CAM	\$159,399	\$5.30
Total Operating Expenses	\$284,169	\$9.45
NET OPERATING INCOME	\$437,896	\$14.56

TENANT OVERVIEW

UnityPoint Health is one of the largest integrated nonprofit health systems in the Midwest, serving communities across Iowa, Illinois, and Wisconsin. Headquartered in West Des Moines, Iowa, the system delivers coordinated, patient-centered care through a network of 17 regional hospitals, 400+ clinics, and more than 31,000 team members. UnityPoint's scale, clinical depth, and longstanding regional presence make them a leading and trusted provider of essential healthcare services.

YEAR FOUNDED	TOTAL LOCATIONS	EMPLOYEES
1993	400+	31,524
ANNUAL REVENUE	CREDIT RATING	ANNUAL PATIENT VISITS
\$5.4B+	AA-	8M+



UnityPoint Health



Why Invest in UnityPoint?

Financial Strength and Stability: UnityPoint operates with consistent revenue performance and maintains an annual revenue base of roughly \$5.4 billion, supported by strong liquidity and diversified service lines across multiple states.

Large, Integrated Care Network: With 17 hospitals, 400+ clinics, and more than 8 million patient visits each year, UnityPoint benefits from significant market penetration and operational efficiency that enhance long-term tenant durability.

Investment Grade Tenancy: UnityPoint carries an AA- credit rating from Fitch, reflecting strong balance sheet fundamentals, stable margins, and a proven ability to navigate changing healthcare environments.

Essential, Recession-Resilient Services: As a major regional health system serving critical healthcare needs, UnityPoint provides recession-resistant operations supported by steady patient demand and a broad mix of primary, specialty, and acute-care services.

Longstanding Market Presence: Founded in 1993 and formerly known as Iowa Health System, UnityPoint has decades of demonstrated performance, trusted community relationships, and a history of sustained growth throughout the Midwest.

MARKET OVERVIEW

Utica Crest Medical Office
3740 Utica Ridge Rd, Bettendorf, IA



QUAD CITIES REGION

Bettendorf Market Overview

Bettendorf, Iowa is one of the most desirable communities in the Quad Cities region, offering strong demographics, high-quality schools, and a stable residential base. With a population approaching 40,000 and a median household income above \$100,000, the city attracts families and professionals seeking both affordability and quality of life.

The market benefits from its strategic location along the Mississippi River and immediate connectivity to Interstates 74 and 80, supporting strong regional mobility and consistent commercial demand. Bettendorf's proximity to major employment hubs, including healthcare, manufacturing, logistics, and education, reinforces its role as a key economic center within the Quad Cities.

For healthcare and service-oriented tenants, Bettendorf offers a strong foundation of demand driven by affluent households, high homeownership rates and ongoing residential and commercial growth. These fundamentals create a reliable environment for long-term tenancy and make the area an attractive market for medical office and essential-service real estate investment.

Quad Cities MSA

\$22B+ Regional GDP

Quad Cities Metro Economy

400K+ Metro Population

Growing Quad Cities Market

Top 5 in the U.S.

Best Affordable Places to Live

6M+ Annual Visitors

Strong Regional Tourism

Top 10% in the U.S.

In Manufacturing Output/Capita

\$1.2B+ Annual Tourism

Supports Retail & Service Demand

Property Demographics

	1-Mile	3-Mile	5-Mile
Population	8,954	65,373	153,297
Households	3,654	27,574	63,536
Average Household Income	\$111,958	\$106,196	\$85,765

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This Offering Memorandum contains select information pertaining to the business and affairs of the property owner and its tenant for real property located at 3740 Utica Ridge Rd, Bettendorf, IA, 52722 ("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.

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