



OFFERING MEMORANDUM

PINNACLE TREATMENT CENTER

 14300-14551 FRANK MEYERS RD, CAMBRIDGE CITY, IN



PINNACLE
TREATMENT CENTERS

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FINANCIAL OVERVIEW

14300-14551 FRANK MYERS RD, CAMBRIDGE CITY, IN



PINNACLE
TREATMENT CENTERS



14300 Frank Myers Rd,
Cambridge City, IN

\$10,270,000

PRICE

6.50%

CAP RATE

NOI	\$667,912
RENTABLE SQ FT	24,767
YEAR BUILT/EXPANSION	2016/2020
LOT SIZE (AC)	11.04 acres
TENANT	Pinnacle Treatment Centers
GUARANTOR	Pinnacle Treatment Centers, Inc.
LEASE TYPE	Absolute Net
RENT COMMENCEMENT	January 11, 2017
LEASE EXPIRATION	January 10, 2037
TERM REMAINING	11 Years
INCREASES	Annual Rent Increases
OPTIONS	(1), 10-Year
RIGHT OF FIRST REFUSAL	Yes, 10-Days
TENANT RESPONSIBILITIES	Roof & Structure, HVAC, CAM, Taxes & Insurance
LANDLORD RESPONSIBILITY	None

LEASE ABSTRACT

CAM:	Tenant Handles Directly
Real Estate Taxes:	Tenant Handles Directly
Insurance:	Tenant Handles Directly
Roof & Structure Repairs:	Tenant Responsible
Roof & Structure Replacement:	Tenant Responsible
HVAC Repairs:	Tenant Responsible
HVAC Replacement:	Tenant Responsible

RENT SCHEDULE | 05

LEASE TERM	YEAR	DATE	RENT INCREASE	ANNUAL RENT	MONTHLY RENT	RENT PSF	CAP RATE
CURRENT	Year 10	1/11/2026		\$667,912.72	\$55,659.31	\$26.97	6.50%
	Year 11	1/11/2027	3.09%	\$688,513.56	\$57,376.13	\$27.80	6.70%
	Year 12	1/11/2028	1.57%	\$699,333.36	\$58,277.78	\$28.24	6.81%
	Year 13	1/11/2029	1.59%	\$710,477.88	\$59,206.49	\$28.69	6.92%
	Year 14	1/11/2030	1.62%	\$721,956.72	\$60,163.06	\$29.15	7.03%
	Year 15	1/11/2031	1.64%	\$733,779.96	\$61,148.33	\$29.63	7.14%
	Year 16	1/11/2032	3.00%	\$755,823.84	\$62,985.32	\$30.52	7.36%
	Year 17	1/11/2033	1.66%	\$768,367.08	\$64,030.59	\$31.02	7.48%
	Year 18	1/11/2034	1.68%	\$781,286.64	\$65,107.22	\$31.55	7.61%
	Year 19	1/11/2035	1.70%	\$794,593.68	\$66,216.14	\$32.08	7.74%
	Year 20	1/11/2036	1.72%	\$808,300.08	\$67,358.34	\$32.64	7.87%
OPTION	Year 21	1/11/2037	3.00%	\$832,549.08	\$69,379.09	\$33.62	8.11%
	Year 22	1/11/2038	3.00%	\$857,525.55	\$71,460.46	\$34.62	8.35%
	Year 23	1/11/2039	3.00%	\$883,251.32	\$73,604.28	\$35.66	8.60%
	Year 24	1/11/2040	3.00%	\$909,748.86	\$75,812.41	\$36.73	8.86%
	Year 25	1/11/2041	3.00%	\$937,041.33	\$78,086.78	\$37.83	9.12%
	Year 26	1/11/2042	3.00%	\$965,152.57	\$80,429.38	\$38.97	9.40%
	Year 27	1/11/2043	3.00%	\$994,107.14	\$82,842.26	\$40.14	9.68%
	Year 28	1/11/2044	3.00%	\$1,023,930.36	\$85,327.53	\$41.34	9.97%
	Year 29	1/11/2045	3.00%	\$1,054,648.27	\$87,887.36	\$42.58	10.27%
	Year 30	1/11/2046	3.00%	\$1,086,287.72	\$90,523.98	\$43.86	10.58%



PINNACLE
TREATMENT CENTERS



PINNACLE TREATMENT CENTERS

DBA Recovery Works | Residential Drug & Alcohol Rehab

(Pictured: Pinnacle in Martinsville, IN)



135

LOCATIONS



9

STATES



2006

YEAR FOUNDED



35,000+

PATIENTS SERVED DAILY

COMPANY OVERVIEW

Pinnacle Treatment Centers is a leading provider of comprehensive addiction and substance use disorder treatment services in the United States. Founded in 2006, the organization has grown from a small outpatient provider in Pennsylvania into a large, community-based treatment network serving more than 35,000 patients daily across over 135 locations in nine states, including California, Georgia, Indiana, Kentucky, New Jersey, North Carolina, Ohio, Pennsylvania, and Virginia



[Website](#)



PROPERTY OVERVIEW

14300-14551 FRANK MYERS RD, CAMBRIDGE CITY, IN



PINNACLE
TREATMENT CENTERS



2016 CONSTRUCTION WITH 2020 EXPANSION

- High-Quality Construction
- Originally built-to-suit for Pinnacle in 2016
- Major 8,867 square foot expansion in 2020 due to increased patient demand



11 YEARS REMAINING ON THE LEASE

- 20-Year lease commenced in January 2017
- 11+ Years remaining on the base lease term with one, ten-year renewal option available



ANNUAL RENT INCREASES

- 1% - 3% annual rent increases in the base term (see rent schedule)
- 3% - 4% annual rent increases in the renewal option (to be decided at time of renewal)



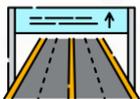
ABSOLUTE NET LEASE

- Zero landlord responsibility
- Tenant directly responsible for CAM, Insurance, and Taxes
- Tenant responsible for repairs and replacement of roof, structure and HVAC



PRO-FORMA CAP RATE: 7.87%

- Pro-forma cap rate reaches 7.87% by year 20 of the base term (1/11/2036-1/10/2037)
- Pro-forma cap rate of 10.58% by year 30



ONE-HALF MILE FROM INTERSTATE 70

- Interstate 70 feeds directly into downtown Indianapolis
- Complete lack of drug treatment center competition nearby
- 52 Miles from Dayton, OH & 73 Miles from Cincinnati, OH



PINNACLE TREATMENT CENTERS HAVE 135 LOCATIONS IN 9 STATES

- Pinnacle was founded in 2006 and has since grown to 135 locations
- Locations in California, Georgia, Indiana, Kentucky, New Jersey, North Carolina, Ohio, Pennsylvania, and Virginia
- Serve more than 35,000 patients daily







MARKET OVERVIEW

14300-14551 FRANK MYERS RD, CAMBRIDGE CITY, IN



PINNACLE
TREATMENT CENTERS



INTERSTATE 70



McDonald's



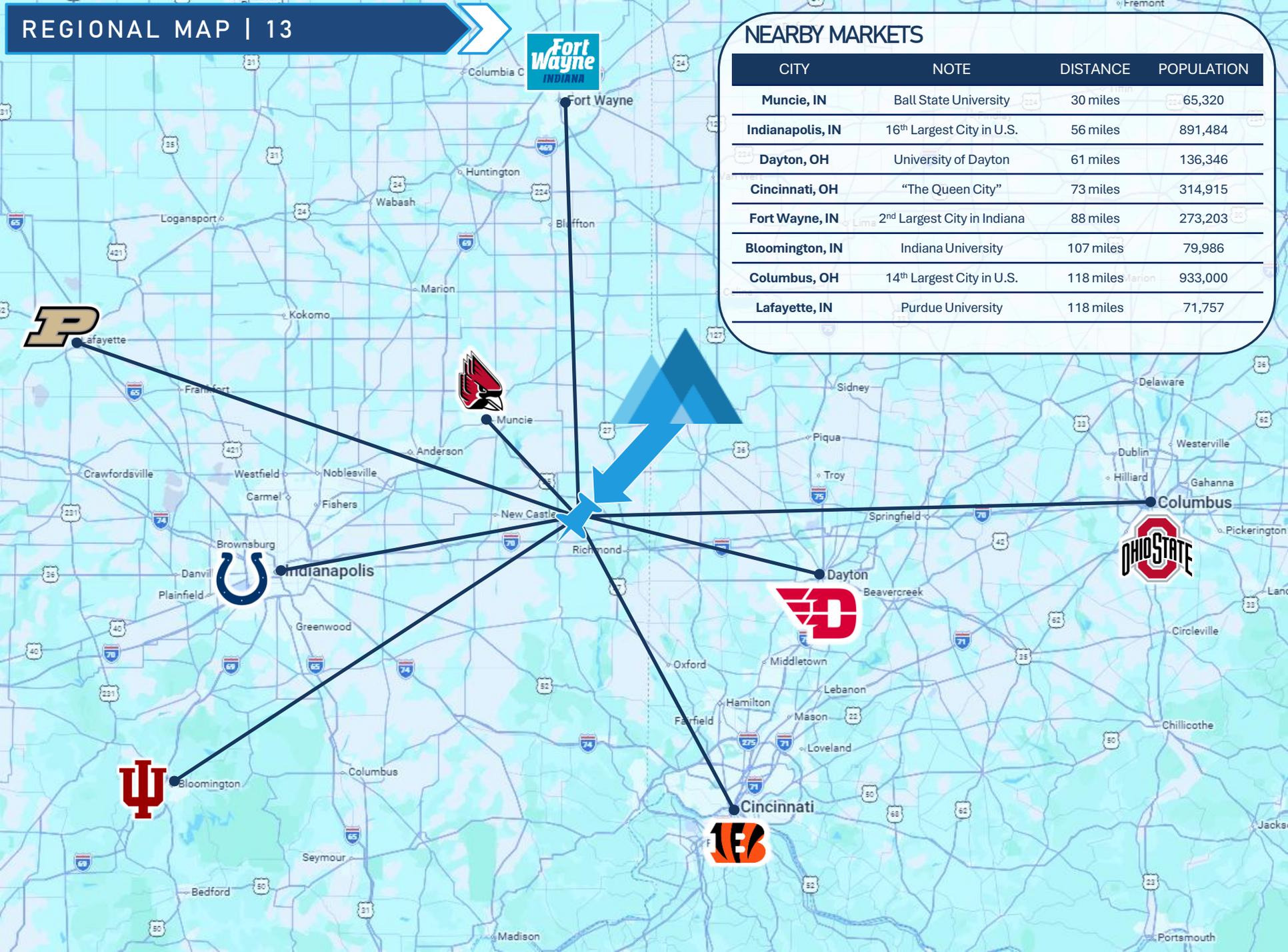
INDIANA STATE HIGHWAY 1

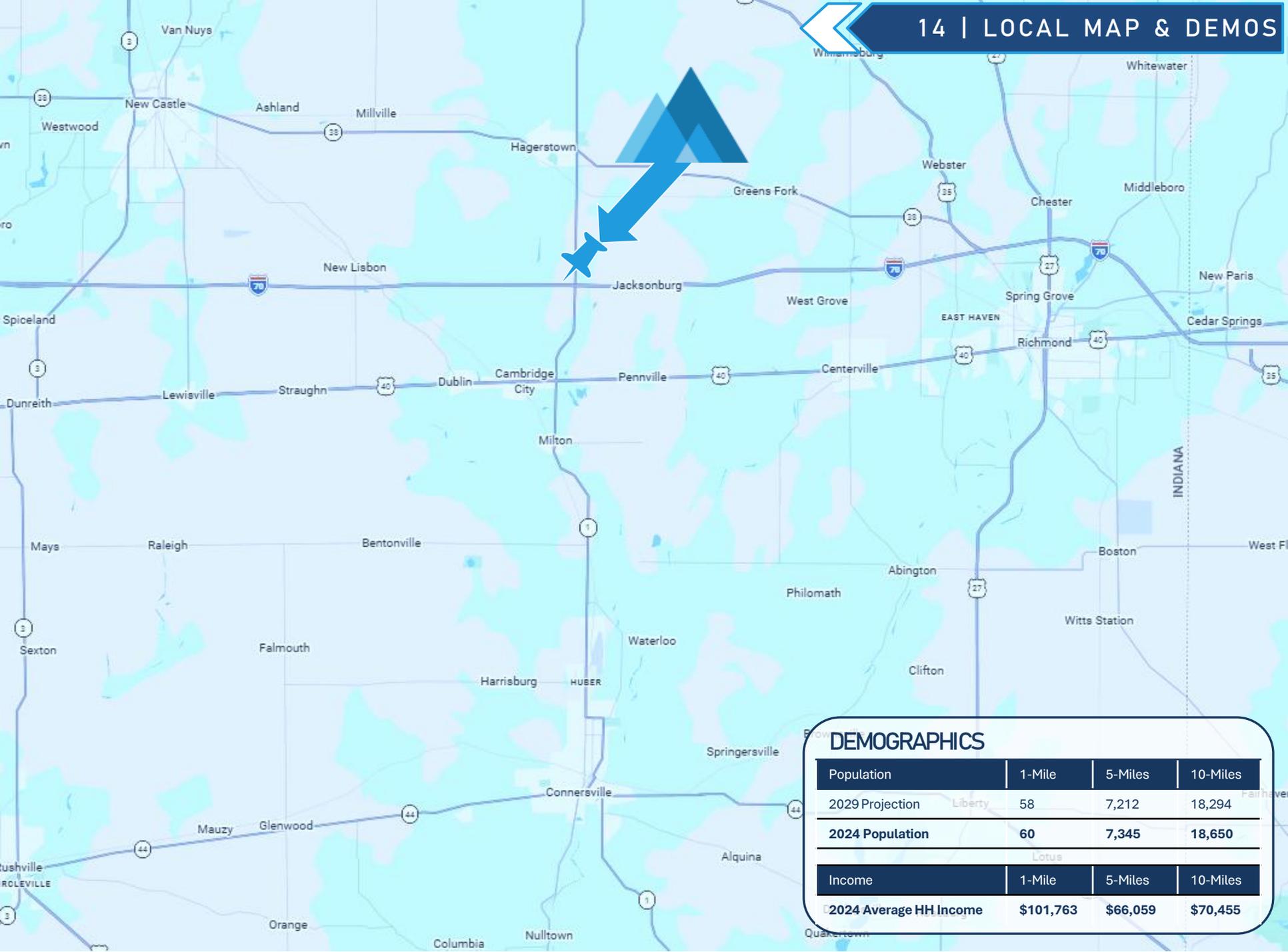




NEARBY MARKETS

CITY	NOTE	DISTANCE	POPULATION
Muncie, IN	Ball State University	30 miles	65,320
Indianapolis, IN	16 th Largest City in U.S.	56 miles	891,484
Dayton, OH	University of Dayton	61 miles	136,346
Cincinnati, OH	"The Queen City"	73 miles	314,915
Fort Wayne, IN	2 nd Largest City in Indiana	88 miles	273,203
Bloomington, IN	Indiana University	107 miles	79,986
Columbus, OH	14 th Largest City in U.S.	118 miles	933,000
Lafayette, IN	Purdue University	118 miles	71,757





DEMOGRAPHICS

Population	1-Mile	5-Miles	10-Miles
2029 Projection <small>Liberty</small>	58	7,212	18,294
2024 Population	60	7,345	18,650
Income	1-Mile	5-Miles	10-Miles
2024 Average HH Income	\$101,763	\$66,059	\$70,455



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