

SINGLE TENANT NNN INVESTMENT OFFERING

Purpose Healing Center

1841 N 24TH ST

Phoenix, AZ 85008

PRESENTED BY:

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OFFERING OVERVIEW

INVESTMENT SUMMARY

PRICE	\$7,792,500 6.50% CAP Rate
BLDG SIZE	16,392 SF
LAND SIZE	51,828 SF 1.19 AC
APN	120-39-086E
2025 NOI	\$506,512
LEASE TERM	1/1/2024-12/31/2033
LEASE TYPE	NNN
ANNUAL INCREASES	3%
LANDLORD RESPONSIBILITY	Roof, exterior walls, & structure at the expense of the Tenant.



INVESTMENT HIGHLIGHT

- **NNN Investment Opportunity** - SVN presents a prime investment opportunity in Phoenix, AZ, featuring an NNN lease, making it ideal for investors seeking low-maintenance, long-term income. Landlord responsibilities are limited to the roof, exterior walls, and structure of which all expenses are at the expense of the tenant.
- **Long-Term, Inflation Proof Lease** - The lease began in January 2024 and runs until December 2033, with 3% annual increases.
- **Strong Tenant** - The sole tenant is Purpose Healing Center, a leader in the behavioral healthcare industry with three locations in the Phoenix market. Purpose Healing Center was formed in 2017 and provides a wide range of treatments and therapies to its patients. Purpose Healing is on track to yield upwards of \$20MM in gross revenue for 2024, a $\pm 27\%$ increase from that of 2023.
- **Thriving Location** - This Phoenix location accounts for $\pm 42\%$ of Purpose Healing Center's total income making this a staple location within its overall operations and an irreplaceable location within the behavioral health industry.
- **Sticky Tenant** - This particular location, consisting of a total of 68 beds, underwent a full renovation in 2021 and includes specialized licensing including behavioral health subacute inpatient care (32 beds), behavioral health residential facility (36 beds), and an outpatient treatment center. It's this licensing that makes this location so desirable for this particular business as it's not easily obtainable or transferrable thus creating a much higher likelihood the tenant will remain at this location for many years.
- **Fully Renovated Building** - Purpose Healing Center heavily invested in a full renovation of the building in 2021 which consists of new updated plumbing and electrical, a new roof, new AC units, and a completely renovated interior. In total, the Tenant invested $\pm \$4MM$ into the property as part of their long-term plans.
- **Growth Industry** - The behavioral health and addiction recovery sector is witnessing unprecedented growth, driven by increasing awareness of mental health issues, changing societal attitudes, and the ongoing crisis involving substance use and recovery. With more individuals spanning all demographic backgrounds being diagnosed with mental health conditions combined with increasingly more federal and state government funding and insurance coverage available, the demand for these services is projected to be in demand for many years to come.



PURPOSE

HEALING CENTER

ABOUT

Purpose Healing Center is a leading provider of alcohol and substance abuse treatment in Arizona, offering personalized inpatient and outpatient programs, mental health services, and medical detox to support individuals in overcoming addiction and rediscovering their purpose.

With multiple locations throughout the Phoenix market, their alcohol and drug treatment programs utilize cutting-edge, evidence-based practices to equip each resident with the tools necessary for a successful and lasting recovery.

HIGHLIGHTS

- In business since 2017 and opened this Phoenix location in 2021.
- Renovation completed in 2021 at which point highly specialized licensing was obtained.
- Gross Income by Year:
2022: \$8,851,133
2023: \$17,667,177
2024: ±\$22.5MM (Annualized as of 10/2024)

RENT ROLL

SUITE	TENANT NAME	SIZE SF	% OF BUILDING	ESCALATION DATES	PRICE / SF / YEAR	ANNUAL RENT	LEASE START	LEASE END
1841 N 24th St.	Purpose Healing Center	16,392 SF	100%	1/1/2025	\$30.90	\$506,512.80	1/1/2024	12/31/2033
				1/1/2026	\$30.90			
				1/1/2027	\$31.83			
				1/1/2028	\$32.78			
				1/1/2029	\$33.77			
				1/1/2030	\$34.78			
				1/1/2031	\$35.82			
				1/1/2032	\$36.90			
				1/1/2033	\$38.00			
TOTALS		16,392 SF	100%		\$30.90	\$506,512.80		

S/SW RETAILER MAP



NORTH FACING RETAILER MAP



S/SE FACING RETAILER MAP





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