



BEHAVIORAL HEALTH GROUP

3329 University Ave SE | Minneapolis, MN | 55414

Deborah K. Vannelli, CCIM | 612-376-4475 | deb@upland.com
Keith A. Sturm, CCIM | 612-376-4488 | keith@upland.com
Amanda C. Leathers | 612-436-0045 | amanda@upland.com

50 South 6th Street | Suite 1418
Minneapolis, MN | 55402

www.nnnsales.com

Look Upland. Where Properties & People Unite!

NET LEASED DISCLAIMER

Upland Real Estate Group, Inc. hereby advises all prospective purchasers of Net Leased property as follows:

The information contained in this Marketing Package has been obtained from sources we believe to be reliable. However, Upland Real Estate Group, Inc. has not and will not verify any of this information, nor has Upland Real Estate Group, Inc. conducted any investigation regarding these matters. Upland Real Estate Group, Inc. makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Package is not a substitute for your thorough due diligence investigation of this investment opportunity. Upland Real Estate Group, Inc. expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Package are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial, legal and other advisors.

Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal, financial and other advisors must request and carefully review all legal, financial and other documents related to the property and tenant. While past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

All information, including price change and withdrawal from the market, is subject to change without notice.

By accepting this Marketing Package you agree to release to Upland Real Estate Group, Inc. and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property.

CONFIDENTIALITY AND DISCLAIMER: The information contained in the following Marketing Package is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Upland Real Estate Group, Inc. and should not be made available to any other person or entity without the written consent of Upland Real Estate Group, Inc. This Marketing Package has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Upland Real Estate Group, Inc. has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property or any other matter related to the subject property. The information contained in this Marketing Package has been obtained from sources we believe to be reliable; however, Upland Real Estate Group, Inc. has not verified, and will not verify, any of the information contained herein, nor has Upland Real Estate Group, Inc. conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

INVESTMENT SUMMARY

| | |
|--------------------------------------|--------------|
| PRICE | \$2,698,215 |
| CAP | 6.50% |
| NOI | \$175,303.96 |
| RENT/SF | \$15.56 |
| PRICE/SF | \$239.42 |
| RENT ADJUSTMENTS: 3% ANNUALLY | |
| 1/1/25-12/31/25 | \$175,383.96 |
| 1/1/26-12/31/26 | \$180,645.48 |
| 1/1/27-12/31/27 | \$186,064.84 |
| 1/1/28-12/31/28 | \$191,181.63 |
| 1/1/29-12/31/29 | \$196,439.12 |
| 1/1/30-12/31/30 | \$201,841.20 |

LEASE INFORMATION

| | |
|-----------------------------|------------|
| LEASE TYPE | NNN |
| REMAINING LEASE TERM | 6 Years |
| RENT COMMENCEMENT | 11/14/2011 |
| LEASE EXPIRATION | 12/31/2030 |
| RENEWAL OPTIONS | None |



LEASE NOTES:

Operates as outpatient opiate treatment clinic.

Annual rent increases of 3% annually for the first 4 years, then increases at 2.75% annually for the remaining 3 years.

Building was extensively remodeled in 2012 at a cost of approximately \$750,000. The remodel included: new lobby addition, an elevator was added, the 2nd floor was built-out, and 1st floor remodeled.

The Metro Transit light rail system passes directly in front of Behavioral Health Group, and carries over 14 million passengers per year.

PROPERTY INFORMATION

| | |
|-----------------------|---|
| ADDRESS | 3329 University Ave SE Minneapolis, MN 55414 |
| BUILDING SIZE | 11,270 SQ. FT. |
| LOT SIZE | 0.49 Acres |
| COUNTY | Hennepin |
| YEAR BUILT | 1958 |
| YEAR RENOVATED | 2012 |

DEMOGRAPHIC INFORMATION

| | 1-MILE RADIUS | 3-MILE RADIUS | 5-MILE RADIUS |
|--------------------------------------|---------------|---------------|---------------|
| 2024 POPULATION | 23,489 | 201,495 | 528,432 |
| 2029 POPULATION | 24,929 | 206,960 | 538,655 |
| 2024 MEDIAN HOUSEHOLD INCOME | \$54,632 | \$67,115 | \$75,816 |
| 2024 AVERAGE HOUSEHOLD INCOME | \$86,192 | \$100,839 | \$108,284 |

All demographic information is obtained from Site To Do Business, which complies US Census Bureau data and Esri projections for 2024 and 2029.

THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. REFERENCES TO SQUARE FOOTAGE OR AGE ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.



THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. REFERENCES TO SQUARE FOOTAGE OR AGE ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.

BEHAVIORAL HEALTH GROUP

| | |
|-----------------------|-------------------------|
| PROPERTY | Behavioral Health Group |
| TENANT | Alliance Clinic, LLC |
| REVENUES | Private |
| NET WORTH | Private |
| S&P RATING | Non-Rated |

The tenant on the lease is Alliance Clinic, LLC (a Minnesota LLC). Guarantor is BHG Holdings, LLC.

Behavioral Health Group, is an opiate treatment program and outpatient clinic serving the greater Minneapolis/ St. Paul metro area, and beyond. Behavioral Health Group provides narcotic replacement therapy services using methadone maintenance as a medication in conjunction with behavioral health treatment services for opiate addiction. They provide ethical and responsible chemical and mental health services in serving a broad spectrum of individuals suffering from opiate addiction. Behavioral Health Group serves adult men and women age 18 and older from a variety of cultures who may also struggle with mental illness. They address each person’s culture and lifestyle which are factors that play an important role in reaching recovery. The Methadone Maintenance Clinic also provides chemical health assessments by appointment in order to determine a diagnosis and set forth a customized, recommended treatment path. Assessments also include additional referrals for individuals who have concerns regarding their substance use and/or chemical dependency.



Largest Network of Joint Commission - Accredited Treatment Centers

With 115 locations in 21 states, BHG has more than 1,900 employees who serve more than 42,000 patients everyday.

Behavioral Health Group (BHG) is the largest network of Join Commission-accredited outpatient opioid treatment and recovery centers in the U.S., delivering comprehensive, personalized evidence-based medical and behavioral therapies for individuals with opioid use disorder (OUD). BHG is committed to a mission of real recovery that goes beyond treatment to include long term solutions for healthier living. Each treatment center is staffed with experienced addiction physicians, counselors, and nurses. Treatment utilizes all three FDA-approved medications for OUD, counseling and behavioral therapy, and low-cost drug testing designed to help manage medication dosage and ensure compliance with treatment. Integral to the BHG recovery program is comprehensive counseling and behavioral therapy.

99% of BHG patients report improved quality of life since admission

98% of BHG patients are satisfied with their treatment

60% of BHG patients obtain employment after one year of treatment

BHG recovery programs perform **60% better** than the industry benchmark for patients testing positive for opioids after one year of treatment.

THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. REFERENCES TO SQUARE FOOTAGE OR AGE ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.

OUR MISSION

Personalized opioid treatment and recovery care.

We leverage the full spectrum of evidence-based opioid recovery care to tailor treatment to the unique needs of each patient.

OUR VISION

A new class of recovery center.

We're scaling a new class of opioid recovery center that provides comprehensive evidence-based outpatient treatment.

OUR PURPOSE

Renewal.

Our approach to personalized opioid treatment and recovery care restores lives, strengthens families and rejuvenates the communities in which we serve.

115

Locations

21

States

28k

Patients

825

Clinicians
(Employed or Contracted)

200k

Provider Visits
(2021 Annualized)

1.3k

Employees

550k

Counseling
Sessions
(2021 Annualized)

190k

Nurse Visits
(2021 Annualized)

10k

Med Admits
(2021 Annualized)

WHAT MAKES BHG DIFFERENT



© 2021 BHG Holdings, LLC. All rights reserved.

#1: Recovery for a lifetime: We measure our value against our patients' ability to achieve real long-term recovery. That's why all our products and services, our culture and clinical approach are built around facilitating recovery, not just delivering treatment.

#2: Integrated Dynamic Care Model: We apply proven treatment strategies and integrate them into a dynamic and flexible care model that allows us to move patients through different avenues as their needs change and evolve. This unique, operationalized approach to integrated care ensures patients remain engaged and better understand their psychological and physiological responses along their path to recovery, which, ultimately, delivers better clinical outcomes.

#3: Expansive Service Offering: Our expansive counseling services and focus on case management deliver better guidance and consultation to patients and family members. And by offering OTP (opioid treatment programs) and OBOT (office-based opioid treatment) together in multiple locations, we expand flexibility and customization with medication types and how they're administered in the least restrictive, low-cost setting.

#4: Broader Delivery Model: As the largest network of Joint Commission-accredited OUD treatment centers in the U.S., BHG can offer patients greater access to its services, ensuring continuity along the recovery journey whether at home or traveling.

BHG: Recovery for a Lifetime

- Only type of facility approved for all three FDA-approved medications
- Full spectrum of outcomes-based medicine using medication-assisted recovery combined with medication management, behavioral health therapy, counselling, labs, care coordination, and case management.
- Individualized treatment and care plans tailored to a patient's acuity and needs throughout stages of treatment, including our Integrated Dynamic Care Model with operationalized processes that seamlessly move a patient between COPE (Comprehensive Out-Patient Experience), Standard Programming, and Motivational Enhancement Pathways.
- Mandatory counseling with intensity customized to the clinical need throughout the patient's treatment and recovery
- Full wrap-around services and support, (e.g., medical, vocational, family, educational, legal, and mental health)
- Screening and assessments beyond OUD, (e.g., HIV/AIDS, mental health, pregnancy, chronic condition comorbidities) as well as referrals to other providers to reduce ER visits and hospital admissions
- Mandatory low-cost urine drug screens to monitor patient status and overall wellbeing as a data point in determining advancement through the program.

Medication-Assisted Treatment as a clinical best practice

"A range of care with a tailored treatment program and follow-up options can be crucial to success. Treatment should include both medical and behavioral health services as needed."

-National Institute on Drug Abuse

Opioid Treatment Program (OTP)

- Federally licensed, The Joint Commission accredited facility for outpatient MAT supported by medical supervision, random drug testing and diversion control plans
- All three FDA approved medications can be prescribed and dispensed in an OTP (methadone, buprenorphine and naltrexone)

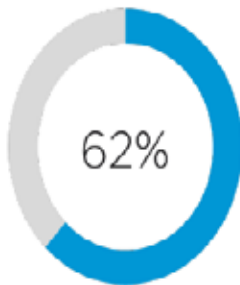
Office-based Opioid Treatment (OBOT)

- Physician office setting where the clinician has received a waiver to prescribe only buprenorphine and naltrexone for opioid use disorder
- Patients receive a prescription to be filled at a pharmacy or PBM

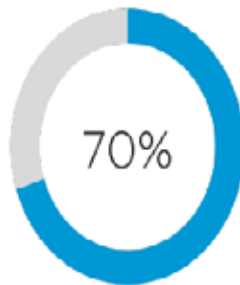
¹Methadone maintenance (MMT) is the most effective treatment for opioid dependence according to randomized trials, e.g., greater reduction in illicit drug use, criminal activity, and mortality according to National Consensus Development Panel on Effective Treatment of Opiate Addiction, 1998. | ²Individuals addicted to opioids who only receive psychological support are 2x more likely to suffer a fatal overdose than those treated with medication



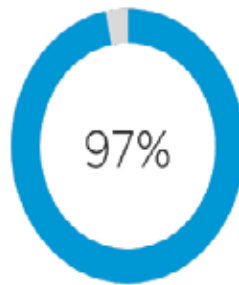
BHG Patients Obtain Employment
after one year of treatment



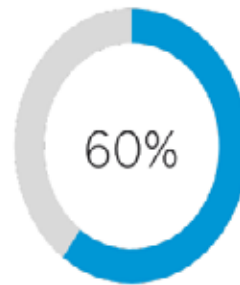
Health Plan Costs Drop
for patients on medication assisted therapy



Justice Involvement Declines
for patients in recovery with BHIG



BHG Patients
would recommend BHG to others



Treatment
performs better than the industry benchmark for patients testing positive for opioids after one year



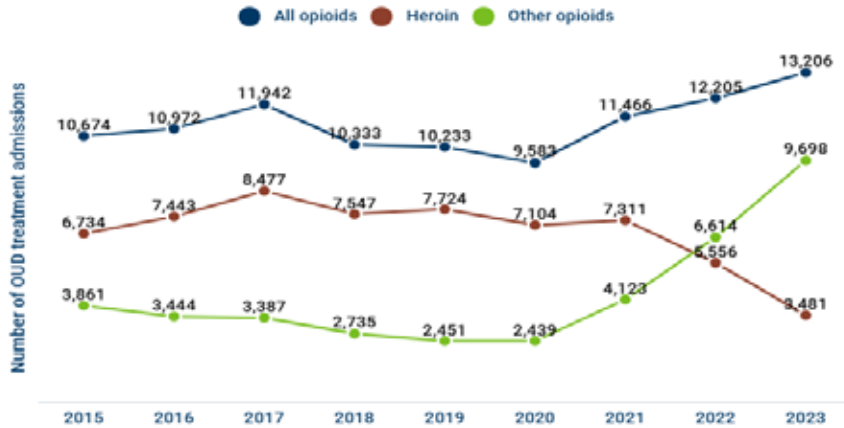
Quality of Life
reportedly improved since admission



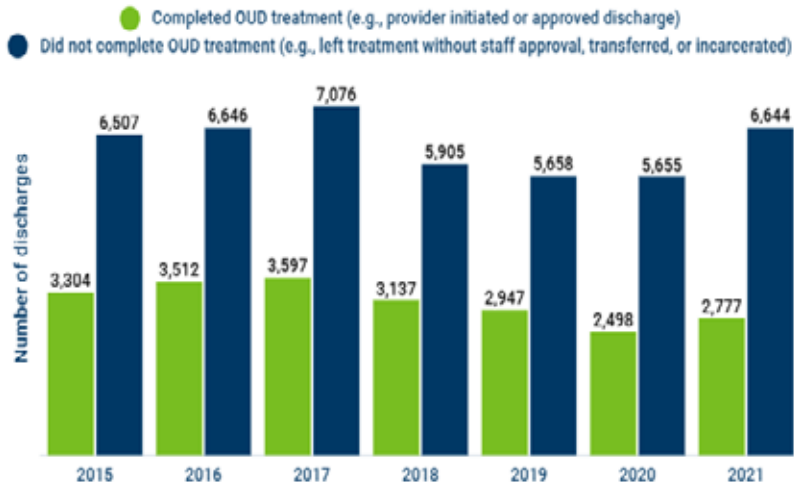
Satisfied
with their treatment

THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. REFERENCES TO SQUARE FOOTAGE OR AGE ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.

From 2020 to 2022, the number of admissions for Opioid Use Disorder (OUD) treatment increased after a period of relative stability. The increase was largely due to treatment for opioids other than heroin.



The number of patients who have completed their Opioid Use Disorder (OUD) treatment at the time of their discharge has been decreasing.



Only 1 in 10 people with a substance use disorder receive treatment in the United States.



In Minnesota opioid-involved overdose deaths increased 43% from 2020 to 2022, and the number of deaths has more than doubled since 2019. Native American Minnesotans are dying at over nine times the rate as white Minnesotans, and Black Minnesotans at over three times the rate.

According to the Centers for Disease Control and Prevention, as of June 2020, 13% of Americans reported starting or increasing substance use as a way of coping with stress or emotions related to Covid-19. A reporting system called ODMAP (Overdose Detection Mapping) shows that the early months of the pandemic brought an 18% increase nationwide in overdoses compared with those same months in 2019. The trend has continued throughout 2020, according to the American Medical Association, which reported in December that more than 40 U.S. states have seen an increase in opioid-related mortality along with ongoing concerns for those with substance use disorders.

MONTHLY DRUG OVERDOSE DEATHS SNAPSHOT

NOVEMBER 2024

NOVEMBER 2024 SNAPSHOT

72

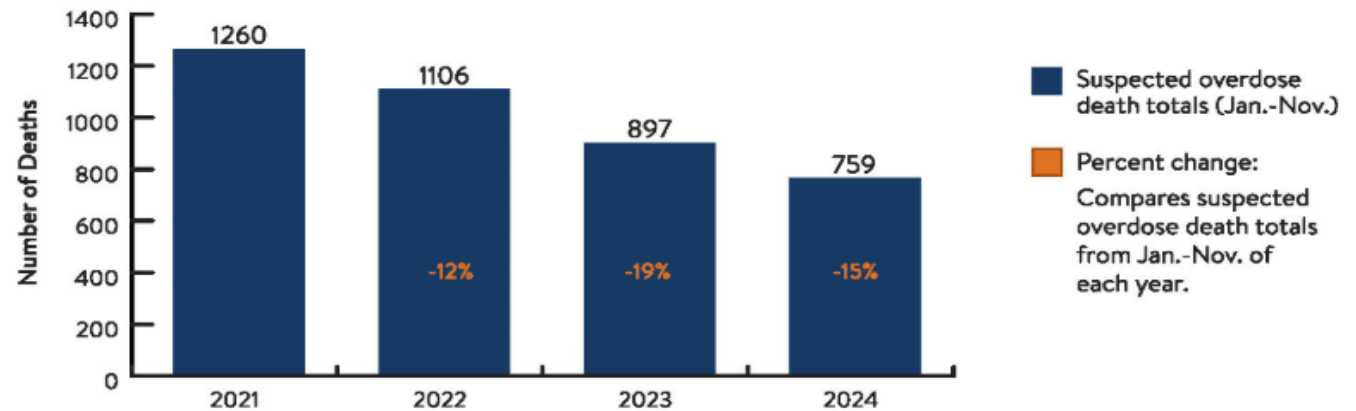
SUSPECTED OVERDOSE DEATHS

COMPARED TO

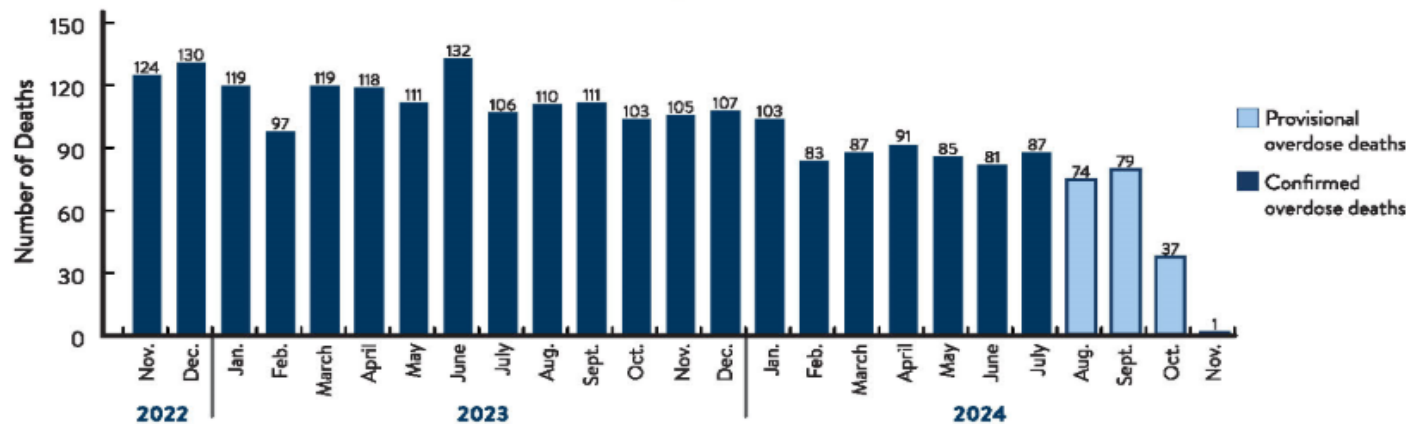
60

NOVEMBER 2023 SUSPECTED OVERDOSE DEATHS

Suspected** overdose deaths compared to the previous year (Jan. - Nov. of each year)



Last 24 months of confirmed and provisional* overdose deaths in Minnesota



*Provisional and confirmed death certificate data are subject to change as cases are finalized.

**Suspected deaths are an early indicator of the data in recent months. These cases are awaiting further investigation and confirmation by Medical Examiners in Minnesota.



THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. REFERENCES TO SQUARE FOOTAGE OR AGE ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.

MINNESOTA MARKET HIGHLIGHTS

- The Minneapolis / St. Paul International Airport Voted #1 Airport in the U.S. by Airports Council International (ACI). It serves 163 nonstop markets (136 domestic and 27 international) and is the headquarters for Sun Country Airlines and Delta Air Lines' second largest hub.
- Each year, 40 million people from around the world visit the Mall of America generating \$2 billion in economic activity for Minnesota.
- Home to the largest continuous system of enclosed, sky ways in the world, the Minneapolis Skyway System is composed of 9.5 miles of pathways connecting 80 city blocks.
- Minnesota is home to 30 colleges and 7 universities, with 54 campuses throughout the state and a total of 3,885 academic programs.
- The University of Minnesota, University of St. Thomas, Bethel University, St. Catherine University, The College of St. Scholastica, and Metropolitan State University made the "2023 Best National University Rankings" list. (U.S. News & World Report)
- Lake Superior, located on Minnesota's North Shore, is the world's largest freshwater lake and brings in approximately 900 ships each year from around the world to the Port of Duluth-Superior.
- Minnesota is home to 6 professional sports teams, the Twins (MLB), Vikings (NFL), Timberwolves (NBA), Lynx (WNBA), Wild (NHL), and United (MLS).



5.7 Million

MINNESOTA POPULATION

3.0 Million

MINNEAPOLIS / ST. PAUL
METRO AREA POPULATION

11,842

OF LAKES OVER 10 ACRES

69,200

MILES OF RIVERS & STREAMS

\$16.6 Billion

REVENUE GENERATED FROM TOURISM

THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. REFERENCES TO SQUARE FOOTAGE OR AGE ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.

RANKINGS

#1

Friendliest State

(2024 World Population Review)

#2

Best State for Economic Opportunity

(2023 U.S. News & World Report)

#3

Best State to Raise A Family

(2024 WalletHub)

#3

Fortune 500 Companies Per Capita

(MN.Gov)

#5

Overall Best State in America

(2023 U.S. News & World Report)

#10

Best State to Live In

(2023 WalletHub)

HOME TO THE FOLLOWING FORTUNE 500 COMPANY HEADQUARTERS



Xcel Energy

usbancorp

LAND O LAKES



UNITEDHEALTH GROUP



POLARIS



securian FINANCIAL



THRIVENT FINANCIAL

FASTENAL

ECOLAB

PATTERSON COMPANIES, INC.



C.H. ROBINSON

Ameriprise Financial



General Mills

CHS



THIS INFORMATION HAS BEEN SECURED FROM SOURCES WE BELIEVE TO BE RELIABLE, BUT WE MAKE NO REPRESENTATIONS OR WARRANTIES, EXPRESSED OR IMPLIED, AS TO THE ACCURACY OF THE INFORMATION. REFERENCES TO SQUARE FOOTAGE OR AGE ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.

THE UPLAND ADVANTAGE

Upland Real Estate Group, Inc., which was founded in 1995, is a Minneapolis based commercial real estate investment sales and brokerage company, which focuses on passive real investments, 1031 solutions, real estate portfolio diversification, and wealth preservation. Upland offers “big business service” with the attentiveness you expect from a boutique shop.

Our ability to swiftly match buyers with sellers is one of the many reasons Upland Real Estate Group, Inc. is the nation’s primary resource for the purchase or sale of net leased, credit investment properties. Many investors and 1031 tax deferred exchange buyers have benefited from the experience and expertise of our team of net leased investment sales specialists.



PROVEN SUCCESS RECORD

Completed in excess of 900 net leased sales transactions totaling over \$2.8 billion

Specialized in NNN investment market for more than 30 years

Upland’s 1031 investment specialists have successfully completed net lease sales transactions with tenants including, but not limited to:

- | | | | |
|---------------------|--------------------|---------------------------|-------------------|
| 7-Eleven | Chick-Fil-A | KinderCare | Sherwin Williams |
| Advance Auto | Chipotle | Kohl’s | Starbucks |
| Aldi | Circle K | Kum & Go | Sunoco |
| Allina Health | CVS Pharmacy | LA Fitness | Super America |
| Applebee’s | Dollar General | Mattress Firm | Taco Bell |
| Arby’s | Dollar Tree | McDonald’s | Tires Plus |
| Aspen Dental | Duluth Trading Co. | Michaels | Top Golf |
| Bank of America | Fairview Health | National Tire & Battery | Tractor Supply |
| BJ’s Wholesale Club | Family Dollar | Northern Tool & Equipment | Trader Joe’s |
| Buffalo Wild Wings | Fresenius | Office Depot | United Healthcare |
| Burger King | Gander Mountain | O’Reilly Auto Parts | US Bank |
| Caliber Collision | Goodwill | Perkins | Valvoline |
| Camping World | Grease Monkey | Petco | Walgreens |
| Caribou Coffee | Jack in the Box | Pizza Hut | Wawa |
| Chase Bank | Jiffy Lube | Royal Farms | Wells Fargo Bank |

BENEFITS OF WORKING WITH UPLAND

- Nationally recognized CCIM accredited sales team
- Comprehensive and searchable online database
- Excellent reputations and credibility
- Online Letter of Intent forms
- Access to confidential off-market properties
- Extensive referral network
- Prompt follow-up and attention to detail

www.nnnsales.com



L to R: Brier Swing; Deb Vannelli, CCIM; Taylor McManemy; Keith Sturm, CCIM; Shaylin Schares; Amanda Leathers

ARE APPROXIMATE. UPLAND HAS NOT REVIEWED OR VERIFIED THIS INFORMATION. BUYER MUST VERIFY THE INFORMATION AND BEARS ALL RISK FOR ANY INACCURACIES.