Mercy Health Primary Care

202 E 50th Street, Joplin, MO 64804

Offering Memorandum

On-Campus
Location

A+ S&P
Investment Grade Credit

NNN
Lease Structure

Purpose-Built
Primary Care Facility

10+ Years
Remaining Lease Term

MATTHEWS™

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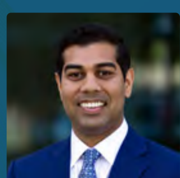

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Investment Highlights

On-Campus Fee Simple Mercy Primary Care Facility

The property is **strategically located on the campus of the Mercy Hospital** in Joplin, a 240+ bed regional hospital serving Southwest Missouri, Southeast Kansas, Northeast Oklahoma, and Northwest Arkansas. The on-campus location provides strong physician connectivity, patient convenience, and integrated care delivery, making the facility highly strategic within Mercy's outpatient network.

Corporate Lease Guaranty from Mercy Health | A+ Credit rating (S&P Global) | Investment Grade

Unlike many healthcare investments that rely solely on a subsidiary operating entities, the lease is **guaranteed by Mercy Health**, providing investors with credit support from the broader health system.

With an expansive network of hospitals, physician practices, specialty clinics, and outpatient facilities across Missouri, Arkansas, Oklahoma, and Kansas, Mercy possesses significant operational scale and financial resources that strengthen the long-term security of the lease and reduce tenant credit risk.

Leading Hospital System | $10.2 Billion in Revenue | Multi-State Footprint

Mercy Health is one of the 15 largest health systems in the United States, generating approximately **$10.2 billion in operating revenue (FY 2025)** and employing more than 52,000 caregivers and 5,600 physicians and advanced practice providers. The system operates 50 acute care and specialty hospitals, 20 outpatient surgery centers, more than 1,000 physician practice locations and outpatient facilities, and approximately 80 urgent care and convenient care locations across its multi-state footprint.

2016 Purpose-Built Facility | Build-to-Suit for Mercy Health

Originally constructed in 2016 as a build-to-suit facility for Mercy Primary Care, the building was specifically designed to accommodate modern outpatient medical operations.

Medical facilities require significant capital investment for specialized improvements, infrastructure, exam rooms, and building systems that are often difficult and expensive to replicate elsewhere. These characteristics create meaningful barriers to relocation and help reinforce long-term tenancy.

20 Year NNN Lease | 10 Years Remaining | 4 x 5 Year Options

The property is leased to Mercy Health through October 2036, providing approximately 10 years of lease term remaining. Long-term occupancy from the system offers investors predictable cash flow backed by a tenant with significant operational scale and a longstanding commitment to the market.

Triple-Net Structure | Ideal 1031 Exchange Opportunity

The lease is structured on a NNN basis, with the tenant responsible for taxes, insurance, maintenance, including repair and replacement of roof and HVAC. This minimizes ongoing landlord responsibilities while providing investors with a stable and predictable income stream, making the asset particularly attractive for passive and out-of-state ownership.

1.5% Annual Rental Increases | Built-In Inflation Protection

The lease features 1.5% annual rental increases throughout the base term, providing contractual NOI growth. Annual escalations preserve purchasing power over time while steadily increasing investor returns throughout the hold period.

Primary Care Facility | Premier Asset Class | Resistant Healthcare Real Estate

Primary care represents one of the most essential and non-discretionary segments of healthcare. Demand for outpatient medical services remains relatively consistent regardless of economic conditions, making healthcare real estate one of the most resilient property types and a continued focus for institutional and private investors alike.

Joplin, MO | Ideal Healthcare Hub Location | Dominant Market

Joplin serves as the primary healthcare hub for a four-state trade area, drawing patients from Southwest Missouri, Southeast Kansas, Northeast Oklahoma, and Northwest Arkansas. The regional area includes more than 200,000 residents, with Joplin continuing to grow significantly, population up 4.3% since 2020.

These favorable demographic trends and regional draw provide a strong foundation for continued outpatient healthcare demand and long-term real estate performance.

Property Summary: 202 E. 50th Street | Joplin, MO 64804

Investment Summary

List Price	$7,677,189
NOI (Upcoming Increase)	$441,438
Cap Rate	5.75%
Price/SF	$564.75
Base Rent/SF	$32.47
Year Built	2016
GLA of Building	±13,594 SF
Lot Size	±2.77 AC

Lease Abstract

Tenant Name	Mercy Health Southwest Missouri/Kansas Communities
Type of Ownership	Fee Simple
Lease Guarantor	Mercy Health
Lease Type	NNN
Original Lease Term	20 Years
Rent Commencement	11/17/2016
Lease Expiration Date	10/17/2036
Term Remaining	±10.23 Years
Rental Increases	1.5% Annually
Option Periods	Four, 5-Year Options
Roof	Tenant Responsible for repair and replacement
Landlord Responsibilities	Landlord is responsible for foundations, exterior walls, structural portions of the building.
Tenant Repair and Maintenance	Tenant maintains the Premises, including all interior and non-structural components, parking areas, landscaping, sidewalks, entrances, refuse areas and other improved portions of the property.
Taxes	Tenant responsible for all real estate taxes, assessments and governmental charges applicable to the Premises.
Insurance	Tenant Responsible
HVAC and Building Systems	Tenant maintains, repairs and replaces HVAC, heating, plumbing, sewerage, lighting and other non-structural building systems.
ROFR	Yes

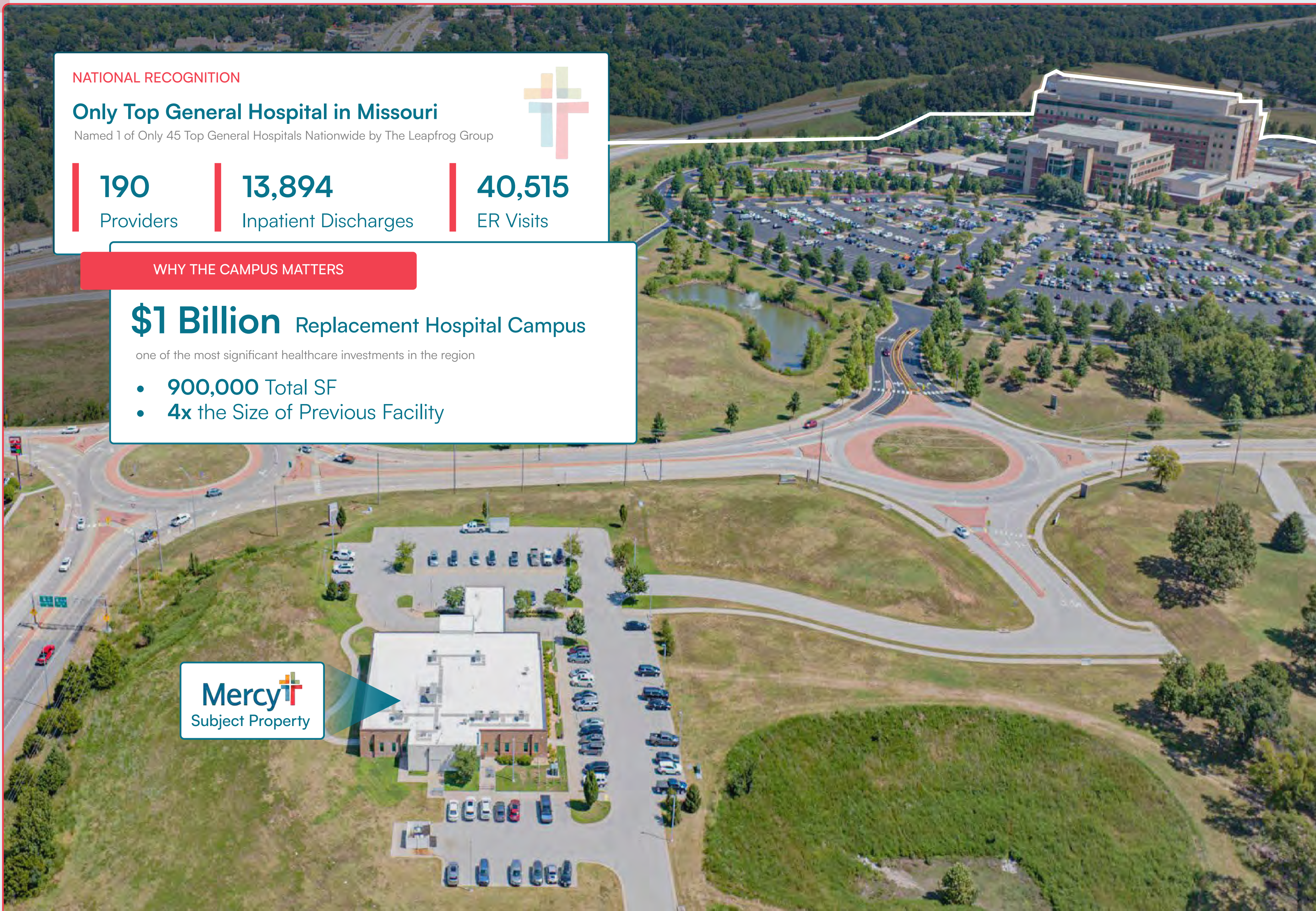
Annualized Operating Data

Lease Year	Annual Rent	Monthly Rent	Rent PSF	Cap Rate
Year 10 (Current)	$434,915	$36,242.89	$31.99	-
Year 11 (Upcoming Increase)	$441,438	$36,786.53	$32.47	5.75%
Year 12	$448,060	$37,338.33	$32.96	5.84%
Year 13	$454,781	$37,898.41	$33.45	5.92%
Year 14	$461,603	$38,466.88	$33.96	6.01%
Year 15	$468,527	$39,043.89	$34.47	6.10%
Year 16	$475,555	$39,629.54	$34.98	6.19%
Year 17	$482,688	$40,223.99	$35.51	6.29%
Year 18	$489,928	$40,827.35	$36.04	6.38%
Year 19	$497,277	$41,439.76	$36.58	6.48%
Year 20	$504,736	$42,061.35	$37.13	6.57%


NE
FREEMAN
Health System
Freeman Hospital East
±460 Beds | ±7,000 Employees
Walmart
Supercenter
sam's club
INTEGRITY
HOME CARE + HOSPICE
CVS pharmacy
Mercy
Mercy Hospital Joplin
±240 Beds | ±1,800 Employees
Joplin High School
±2,300 Students
NHC
NATIONAL HEALTHCARE CORPORATION
South Middle School
±596 Students
± 40,000 VPD
INTERSTATE
44
advanced practice
WELLNESS CLINIC
FREEMAN
Health System
Freeman Health System
±339 Beds | ±7,000 Employees
E 50th St
Subject Property

Tenant Overview

Mercy Health Primary Care
202 E 50th Street, Joplin, MO 64804



NATIONAL RECOGNITION

Only Top General Hospital in Missouri

Named 1 of Only 45 Top General Hospitals Nationwide by The Leapfrog Group

190
Providers

13,894
Inpatient Discharges

40,515
ER Visits

WHY THE CAMPUS MATTERS

$1 Billion Replacement Hospital Campus

one of the most significant healthcare investments in the region

- **900,000** Total SF
- **4x** the Size of Previous Facility

Tenant Overview

Mercy

Tenant Overview

Mercy Health System is one of the nation's largest nonprofit Catholic healthcare systems, headquartered in Chesterfield, serving communities across Missouri, Arkansas, Oklahoma, and Kansas. The integrated healthcare network includes acute care hospitals, specialty clinics, physician groups, outpatient centers, urgent care facilities, virtual care services, imaging centers, pharmacies, and comprehensive home health programs.

Mercy continues expanding its regional footprint through major capital investments, digital healthcare innovation, and facility modernization initiatives, reinforcing its position as a leading healthcare provider throughout the Midwest and South-Central United States. The system emphasizes patient-centered care, faith-based service, advanced medical technology, and regional accessibility while maintaining a strong focus on community wellness, physician integration, and long-term healthcare infrastructure growth.

1 OF 15
Largest US Health Systems

50
Acute & Specialty Hospitals

1,000+
Outpatient Care Locations and Clinics

±52,000
Employees & Team Members

11.6M
Outpatient & Office Visits

Tenant Overview

Mercy

Rankings & Awards

Mercy Healthcare has been named the top large health system in the U.S. for patient experience by NRC Health and operates more than 1,000 physician practice locations, delivering comprehensive primary and preventive care across multiple states. In addition, Mercy hospitals and clinics have earned numerous national recognitions from organizations including U.S. News & World Report, Newsweek, and the Centers for Medicare & Medicaid Services (CMS), reflecting their commitment to high-quality, patient-centered care and clinical excellence.

Strong National Presence

Part of Mercy, operating in multiple states with thousands of primary care providers.

Patient-Centered Care

Focused on preventive care, chronic condition management, and whole-person wellness.

Trusted & Established

Backed by Mercy's more than 150-year mission of compassionate, quality care.

Growing Footprint

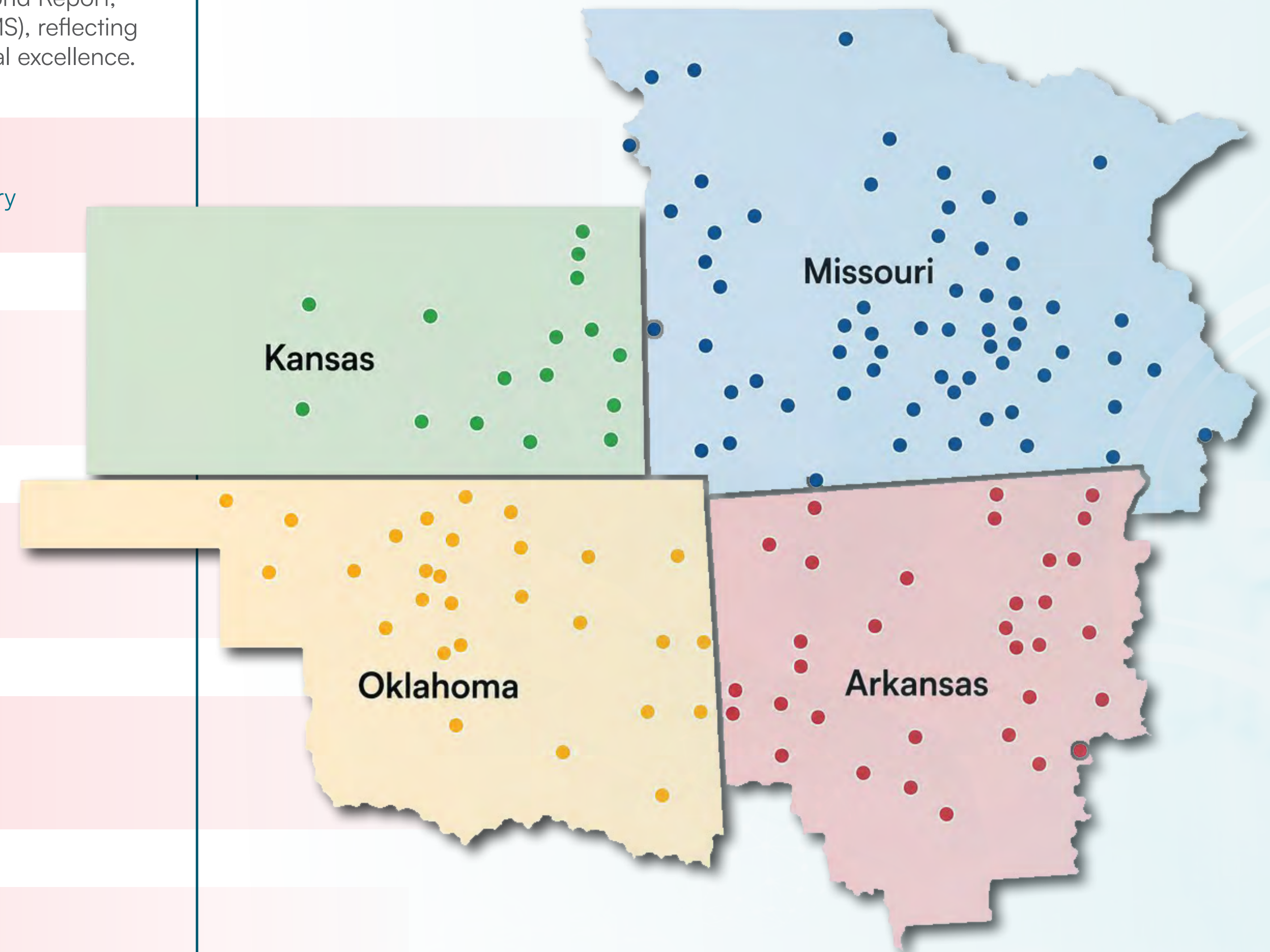
Expanding primary care locations to improve access and meet community needs.

High Quality Standards

Committed to clinical excellence, patient satisfaction, and coordinated care.

Mercy Primary Care Footprint

80+ Clinics Across 4 States



Market Overview

Mercy Primary Care
202 E 50th Street, Joplin, MO 64804

Market Overview

Joplin, Missouri

The Joplin property is strategically positioned directly on the Mercy Hospital Joplin campus, one of the most significant healthcare investments in the Four-State region. Mercy's replacement hospital, developed following the 2011 tornado, represents an approximately $1 billion investment and serves as the dominant regional medical center for Southwest Missouri, Southeast Kansas, Northeast Oklahoma, and Northwest Arkansas.

Joplin functions as a critical healthcare hub due to its central location along Interstate 44 and its role as the largest medical provider within the surrounding rural trade area. Patients regularly travel from neighboring states for specialty care, outpatient services, diagnostics, and physician access, creating a broad and stable referral network for Mercy's outpatient operations. The city's economic base is supported by healthcare, manufacturing, logistics, higher education, and regional retail, helping sustain long-term population stability and healthcare demand.

Asset Highlights

- Regional medical hub for the Four-State area
- Located near Mercy's $1B hospital campus
- Strong access via Interstate 44
- Large regional patient draw
- Limited competing healthcare systems
- Growing outpatient medical demand

Property Demographics

POPULATION	3-MILE	5-MILE	10-MILE
2020 Population	26,992	55,760	105,309
2025 Population	27,524	58,272	110,293
2030 Population Projection	28,342	60,266	113,959
HOUSEHOLDS	**3-MILE**	**5-MILE**	**10-MILE**
2020 Households	11,233	23,431	42,647
2025 Households	11,433	24,458	44,713
2030 Household Projection	11,778	25,315	46,262
INCOME	**3-MILE**	**5-MILE**	**10-MILE**
Avg Household Income	$79,661	$75,195	$80,103

Market Overview

Four State Healthcare Service Area

A vital healthcare network supporting our communities through access, innovation, and comprehenisve care, Mercy Hospital Joplin was named the only Top General Hospital in Missouri and one of only 45 Top General Hospitals nationwide by The Leapfrog Group.

450,000 Residents

Four State Healthcare Service Area

15,300 Jobs

Joplin MSA healthcare and social assistance employment, 2025

16.8%

Healthcare employment growth, 2021-2025

$1.39 Billion

Joplin healthcare and social assistance revenue, 2022

Mercy Hospital Joplin At-A-Glance

193
Staffed Beds

190
Providers

40,515
Emergency Visits, FY2025

197,113
Outpatient Visits, FY2025

7,064
Surgeries, FY2025

Market Overview

Healthcare Demand Drivers

Joplin, Missouri serves as the leading healthcare destination for a four-state region, providing advanced medical services to residents across southwest Missouri, southeast Kansas, northeast Oklahoma, and northwest Arkansas. Anchored by nationally recognized health systems, a growing healthcare workforce, and expanding medical education programs, the city has established a strong foundation for long-term healthcare delivery. These demand drivers continue to support the need for medical office, outpatient, and specialty healthcare facilities while reinforcing Joplin's position as a premier regional healthcare market.

Regional Healthcare Hub

Joplin serves as the primary medical center for a four-state region spanning southwest Missouri, southeast Kansas, northeast Oklahoma, and northwest Arkansas, drawing patients well beyond its local population.

Major Health Systems

The city is anchored by Mercy Hospital Joplin, along with Landmark Hospital, creating a large, robust concentration of physicians, specialists, and outpatient medical services.

Growing Heathcare Employment

The health and biomedical sector is one of the region's largest industries and has grown by approximately 20% from 2017 to 2021, significantly outpacing regional and national growth.

Medical Education Pipeline

Kansas City University (KCU) operates Missouri's first new medical school in nearly 50 years in Joplin, along with a College of Dental Medicine, helping expand the long-term supply of healthcare professionals.

Aging Regional Population

Southwest Missouri has a higher-than-average share of older adults, supporting sustained demand for primary care, specialty care, outpatient clinics, rehabilitation, and senior-focused medical services.

Large Trade Area

Joplin functions as the commercial and medical hub for roughly 250,000+ daytime users and a much broader regional population, increasing patient volumes for medical office and outpatient facilities.

Strong Population of Insured Employees

The area's manufacturing, logistics, retail, and education sectors support a stable workforce that generates ongoing demand for occupational health, primary care, imaging, physical therapy, and specialty services.

Healthcare & Higher Education Cluster

Local leaders have identified healthcare and health sciences as a primary economic development strategy, leveraging partnerships between hospitals, universities, and research institutions to attract investment and expand services.

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