

# El Paso

MEDICAL PORTFOLIO

*Financing Opportunity for Two  
Medical Buildings in El Paso, TX*





**BERKADIA**<sup>®</sup>  
MEDICAL & LIFE SCIENCES

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*El Paso*  
MEDICAL PORTFOLIO

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# *Executive Summary*



# The Offering

PURCHASE PRICE

**\$12,750,000**

LOAN REQUEST

**\$10,316,828 (65% LTC plus Future Funding)**

PROPERTIES

**Mesa MOB**  
4532 N Mesa Street  
El Paso, TX 79912

**Vista Hills Dental Center**  
1713 Weston Brent Lane  
El Paso, TX, 79935

TOTAL SIZE

**53,561 SF**

YEARS BUILT

**2008 & 2009**

PERCENT LEASED AT CLOSING

**100%**

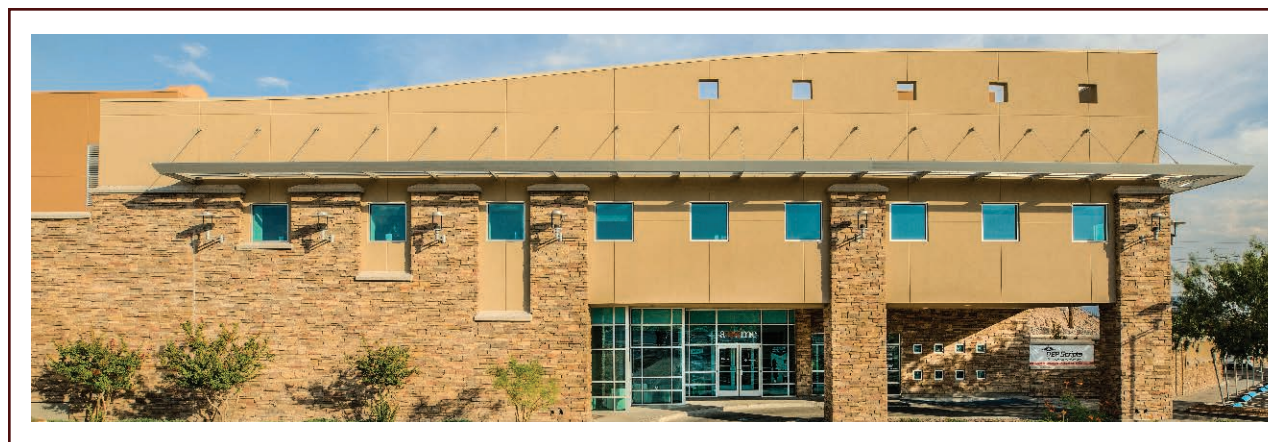
Berkadia Medical & Life Sciences has been exclusively engaged by Saber Street (the “Sponsor”) to arrange acquisition financing for the El Paso Medical Portfolio, a 53,561-square foot, two-property portfolio consisting of the Mesa MOB and the Vista Hills Dental Center (the “Properties”).

Constructed in 2009, **Mesa MOB** consists of 37,872 square feet and is currently 76.2% leased to Tenet Hospital, one of the largest for-profit operators of acute care hospitals and ambulatory surgery centers (ASCs) in the U.S, and El Paso Integrated Physicians, a local multi-specialty group with 18 specialty healthcare providers spread across 4 locations throughout El Paso.

Located approximately 17 miles east of the Mesa MOB and completed in 2008, **Vista Hills Dental Center** is currently 100% owned and occupied by Vista Hills Family Dental, a longstanding dental practice owned by Dr. Jose A. Alvarez. Saber Street has entered into a sale-leaseback agreement with Dr. Alvarez who will lease back the property for 15 years on a triple-net basis with 3% annual escalations. In addition, as part of the agreement, Dr. Alvarez will lease the remaining available space at Mesa MOB bringing the occupancy to 100%. **At closing, both properties will be 100% leased.**

Saber Street is a full-service, privately held, healthcare real estate development company that works with health systems, hospital medical groups, regional physician groups and specialty providers. The Saber Street team has over 15 years of experience and has completed approximately \$2 billion in transactions, having owned, developed, leased, or managed over 2.9 million square feet across seven states.

**The Sponsor is seeking non-recourse acquisition financing at 65% LTC, with \$8.65 million initial funding and \$1.66 million future funding for TI/LC/ Capex for a total commitment of \$10.32 million. Berkadia is requesting term sheets by mid/late July to facilitate a closing by September 2023.**



## Financing Highlights

- 100% Leased Stabilized MOB Portfolio
- 26% Health System Tenancy
- Strong 8.4 Year WALT
- Synergistic Mix of Multi-Specialty, Bariatric and Dental Service Providers
- 15.9% estimated 5--Year Population Growth in 65+ Aged Community
- Prime Locations Along High Traffic/Visibility Thoroughfare in El Paso
- Strong Leasing Velocity and Rent Growth
- Aging Population and 12% 5-Year Income Growth in MSA bolsters fundamental need for medical services
- Excellent Sponsor with Strong Financials





# Financing Request

## Loan Metrics

Initial Loan	\$8,650,174
Future Funding	\$1,666,654
<b>Total Loan</b>	<b>\$10,316,828</b>
Total Loan \$/SF	\$193
<b>In-Place</b>	
NOI	\$834,510
DY	9.6%
DSCR IO and 6.00% Swapped Rate	1.61x
DSCR 30 Yr. AM and 6.00% Swapped Rate	1.34x
<b>Year 2 (Stabilized)</b>	
NOI	\$1,110,801
DY	10.8%
DSCR IO and 6.00% Swapped Rate	1.79x
DSCR 30 Yr. AM and 6.00% Swapped Rate	1.50x

## Consolidated Sources & Uses

Sources	Amount	\$ / SF	%	Uses	Amount	\$ / SF	%
<b>Total Loan</b>	<b>\$10,316,828</b>	<b>\$193</b>	<b>68.9%</b>	Purchase Price	\$12,750,000	\$238	85.1%
Initial Funding	\$8,650,174	\$162	57.8%	Closing Costs	\$557,960	\$10	3.7%
Future TI/LC Funding	\$1,456,654	\$27	9.7%	Future TI/LC Funding	\$1,456,654	\$27	9.7%
Future CapEx Funding	\$210,000	\$4	1.4%	Future CapEx Funding	\$210,000	\$4	1.4%
<b>Equity</b>	<b>\$4,657,786</b>	<b>\$87</b>	<b>31.1%</b>				
Saber Street (100%)	\$4,657,786	\$87	31.1%				
<b>Total Sources</b>	<b>\$14,974,614</b>	<b>\$280</b>	<b>100%</b>	<b>Total Uses</b>	<b>\$14,974,614</b>	<b>\$280</b>	<b>100%</b>





# *Portfolio Overview*



# Portfolio Overview

## Mesa MOB

The Mesa MOB is a 37,872-SF Class A, three-story medical office building located in El Paso, TX within the El Paso (Las Cruces), TX-NM MSA. Constructed in 2009, the Property is situated along N Mesa Street, a major thoroughfare that runs parallel to Interstate Highway 10 with an ADT of just under 42,000 vehicles. Upon closing the property will be 100% leased and is currently 76.2% occupied by El Paso Integrated Physicians and Tenet Hospitals.



<b>Address</b>	4532 N Mesa Street, El Paso, TX 79912
<b>County</b>	El Paso County
<b>Year Built</b>	2009
<b>Square Footage</b>	37,872 SF
<b>Stories</b>	One, Three-Story Office/MOB
<b>Site Size</b>	3.01 AC
<b>Parcel NO(s)</b>	L624-999-0010-9200
<b>Zoning</b>	C3
<b>Flood Zone</b>	Zone X
<b>Parking</b>	182 (4.81 per 1,000 rentable square feet)
<b>Ownership</b>	Fee Simple
<b>Foundation/Structure</b>	Masonry
<b>Roof</b>	Flat
<b>Elevators</b>	Two (2) Elevators
<b>Fire/Life Safety/Sprinkler</b>	Wet-pipe sprinkler system

## Vista Hills Dental Center

Located in East El Paso, Vista Hills Dental Center is a single-story, Class-B masonry-style construction medical office building. Built in 2009, the property sits near a high-traffic area with average daily traffic volume of over 21,000 vehicles via Weston Brent Lane East and Trawood Drive N. The seller of this property is Jose Alvarez, the owner of Vista Hills Family Dental. Beginning on August 1st, 2023, Vista Hills Family Dental will commence a 15-YR triple net lease occupying 15,689 SF or 100% of the property's NRA.

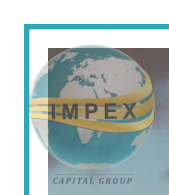


<b>Address</b>	1713 Weston Brent Lane, El Paso, TX, 79935
<b>County</b>	El Paso County
<b>Year Built</b>	2008/2023
<b>Square Footage</b>	15,689 SF
<b>Stories</b>	One, Single-Story Office/MOB
<b>Site Size</b>	0.68 AC
<b>Parcel NO(s)</b>	V893-999-2380-2550
<b>Zoning</b>	C1S
<b>Flood Zone</b>	Zone X
<b>Parking</b>	20 (1.27 per 1,000 rentable square feet)
<b>Ownership</b>	Fee Simple
<b>Foundation/Structure</b>	Masonry
<b>Exterior Walls/Windows</b>	Stucco
<b>Roof</b>	Flat
<b>Elevators</b>	N/A
<b>Fire/Life Safety/Sprinkler</b>	Wet-pipe sprinkler system





# *Location Overview*





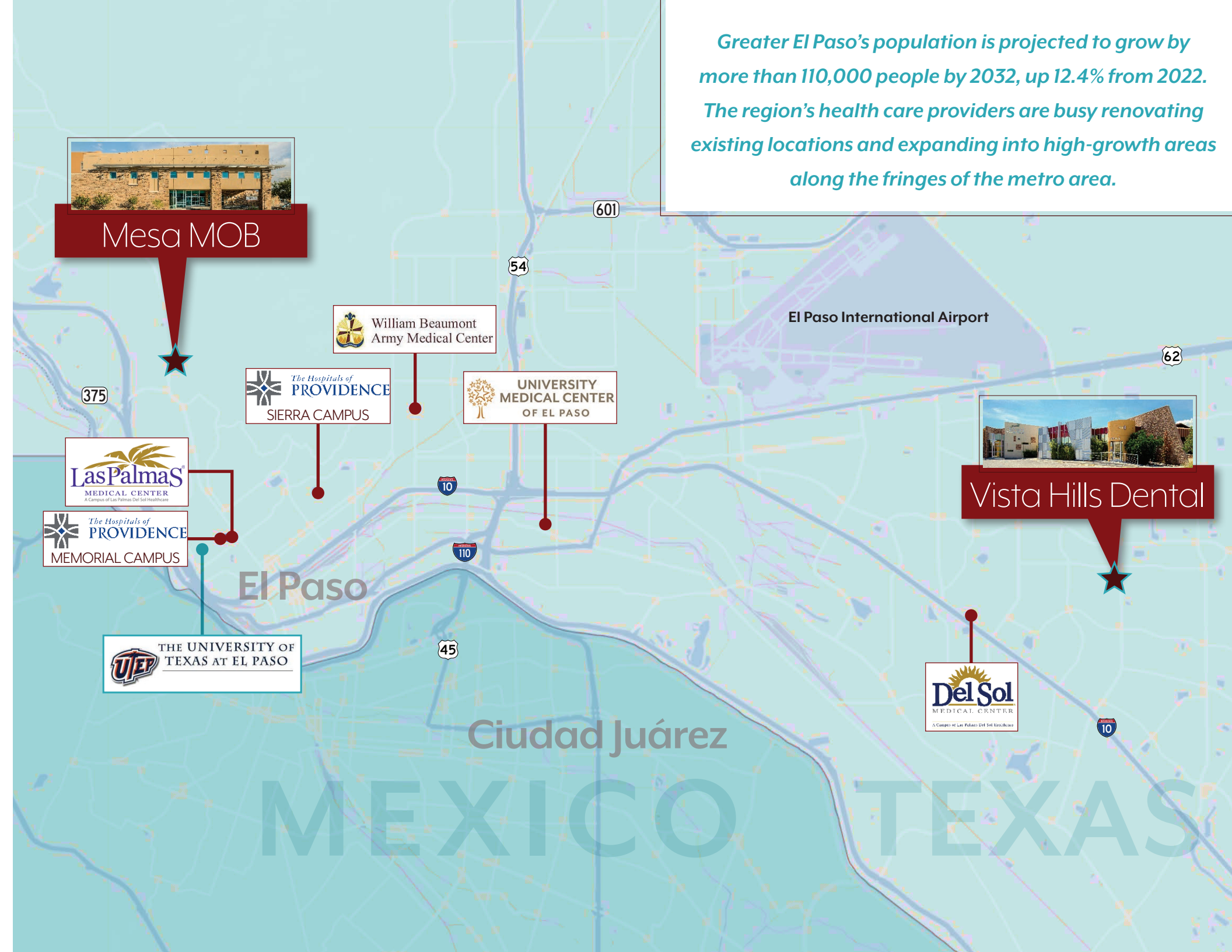


# El Paso, TX Medical Market Overview

El Paso, TX MSA is the largest metropolitan area on the Texas-Mexico border, located in West Texas. El Paso is part of the Borderplex Region, the fifth largest manufacturing hub in North America, which spans from southern New Mexico through El Paso, continuing south to Ciudad Juarez in Mexico. A prominent city in West Texas, El Paso is the central hub for culture, business, and health care. Health care is one of the fastest growing private sectors in Greater El Paso, with a 7.0% projected growth in employment from 2017 to 2022. The area is home to several large providers, including Tenet Healthcare's Hospitals of Providence, HCA's Las Palmas Medical Center, University Medical Center, and the DoD's William Beaumont Army Medical

Center. The Hospitals of Providence employ more than 5,300 people in El Paso, eclipsing 900 physicians and 34 locations, including six major hospitals and four micro/off-campus hospitals. HCA Healthcare runs the Las Palmas Medical Center and the Del Sol Medical Center in El Paso, which have 327 and 350 beds, respectively. The 1.3 million-square-foot William Beaumont Army Medical Center Replacement Hospital serves both civilians and military personnel, and is the DoD's "crown jewel," for medical care, with 135 beds and state-of-the-art facilities. The partnerships between health care and business have resulted in a bustling medical device manufacturing industry, with more than 30 manufacturers located in the Borderplex region.

Greater El Paso's population is projected to grow by more than 110,000 people by 2032, up 12.4% from 2022. The region's health care providers are busy renovating existing locations and expanding into high-growth areas along the fringes of the metro area.





# El Paso, TX Demographics



2022 POPULATION  
**888,811**



FIVE-YEAR GROWTH  
**5.6%**



65+ POPULATION  
**110,982**



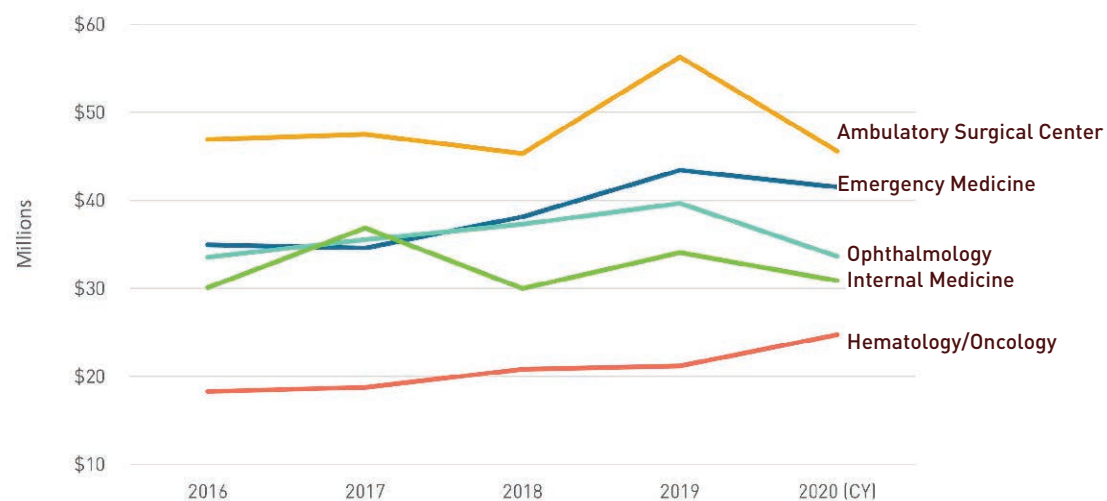
65+ PERCENT OF TOTAL  
**12.6%**



65+ GROWTH BY 2027  
**15.9%**

Source: Sitewise - Tetrad

## Top Five Specialties Within 15-Mile Radius



	Current Year Revenue	Property Count	Avg. Annual Growth
<b>1</b> Ambulatory Surgical Center	\$45,632,183	9	0%
<b>2</b> Emergency Medicine	\$41,515,164	14	5%
<b>3</b> Ophthalmology	\$33,620,552	6	0%
<b>4</b> Internal Medicine	\$30,872,731	32	2%
<b>5</b> Hematology/Oncology	\$24,749,422	5	8%

**3,564 providers**  
total within a 15-mile radius

**2,016 doctors**  
total within a 15-mile radius

Source: Revista

## William Beaumont Army Medical Center



# Notable Developments

Greater El Paso's population is projected to grow by more than 110,000 people by 2032, up 12.4% from 2022. The region's health care providers are busy renovating existing locations and expanding into high-growth areas along the fringes of the metro area. The largest expansion in recent years was the William Beaumont Army Medical Center in Central El Paso, a 1.3 million square foot replacement hospital developed on behalf of the former Army Medical Center. The \$1.4 billion project completed construction in 2021. Adjacent to William Beaumont, the Veterans Affairs Health System broke ground in spring of 2023 on a \$550 million replacement facility. Representatives in the area pushed for extensive funding to support the growing number of veterans in El Paso County, which is currently at 46,000. Should the project receive the additional funding necessary, construction will take 51 months, wrapping up in 2026.

In March 2023, the Hospitals of Providence announced a new, \$15MM land purchase on 30-acres at East Lake Boulevard to expand their medical footprint. Set to break ground in 2024, this development will bring the community of East El Paso and Horizon City greater access to physicians and outpatient services, starting with a new medical office complex.

As the only safety-net hospital in the region, the El Paso County Hospital District (MCA Campus) is in the process of securing funds to expand the Children's Medical Center and University Medical Center to increase access to care. The district requires nearly \$350 million in funding to expand critical care beds, surgery capacity, urgent care sites, children's inpatient and surgical departments and the comprehensive cancer center. The expansions proposed would create 400 permanent jobs and inject more than \$38 million into the local economy.



# *Sponsorship Overview*





# Sponsorship Overview



As a healthcare real estate platform, Saber Street provides an array of best-in-class commercial real estate services to meet the niche demands of the healthcare industry. With deep field expertise and years of hands-on experience, their team of professionals offer creative and efficient solutions to tackle the complex and dynamic requirements often associated with medical real estate projects.

**SPECIALIZED**  
in outpatient & inpatient facilities

Physician & health system  
**PARTNERS**

Medical operations  
**INTELLIGENCE**

Patient community  
**CONSCIOUS**

## Healthcare Partners & Tenants\*



\*Includes a select list of current & former partners & tenants.

## Notable Healthcare Development & Acquisition Experience

- **Kelsey-Seybold Clinic**  
Memorial Villages – 125,000 RSF Medical Office Development
- **Holiday Hill Medical Arts Center**  
30,525 RSF Medical Office Development
- **Avail Health Medical Plaza I**  
75,000 RSF Medical Office Development
- **Hedwig Place**  
102,744 RSF Medical Office Development
- **CHI St. Luke's MAC III**  
96,400 RSF Medical Office Development
- **Creekside MOB**  
45,000 RSF Development
- **Greenville Hospital**  
86,880 RSF Hospital
- **Beaumont Hospital & MOB**  
86,128 RSF Specialty Hospital & Medical Office Development
- **Elite Care FSED/MOB Projects**  
4x ~20,000 RSF Free-Standing Emergency Department & Medical Office Developments
- **Greater Houston Physicians MOB Projects**  
2x ~20,000 RSF Multi-Tenant Medical Office Developments
- **Tenet Micro-Hospital Portfolio**  
160,000 RSF of Micro-Hospital Developments
- **Tri-State MOB Portfolio**  
140,000 RSF MOB Acquisition Across Three States

# Leadership Team



**Ash Shah, MBA**

*General Partner*

Ash Shah is the President & CEO of IMPEX Capital Group, a Houston-based commercial real estate investment firm. The firm owns and manages over \$1.8 Billion in various properties across the US, including ~\$800 Million in Houston and Texas, in general.

To date, IMPEX has acquired over 10,000 multifamily units, 750+ new Multifamily development & Built-to-Rent Communities, 600,000 sf of Industrial & Commercial office, and 400,000 square feet of Retail & Mixed Use. Mr. Shah's schedule of real estate ownership also includes Hotels, Assisted Living with Memory Care, Storage Facility and Land parcel for housing development.

Mr. Shah currently serves as a Co-Sponsor, Key Principal or Equity Owner in over 50 properties. Prior to entering the commercial real estate sector, Ash was the founder and CEO of Impex Global, a Plastic Films, Paper and Packaging products company. After expanding the business into locations all over North America and operations in several international markets, Mr. Shah successfully sold the business to a private equity firm in 2012.

Ash holds an MBA from Thunderbird Business School of International Management, and his company has been ranked in the "Top 100" and "Fastest Growing Company" by Houston Business Journal and Inc. 5000 magazine.

Mr. Shah is also a former "International Entrepreneur of the Year" award recipient from the Indo-American Chamber of Commerce and member of Forbes Financial Council.

## Ownership & Management Experience

*Multifamily, Office, Retail, Hospitality, Senior Living, Mixed-Use, Land, Storage*

[www.impexcapitalgroup.com](http://www.impexcapitalgroup.com)



10,000+ Units (Multifamily)



80,000 SF (Storage Facility)



750+ (Built-to-Rent Communities)



1100 acres (Developable Land)



~ \$1.8 Billion  
Owned



Senior Living/  
Memory Care



# Leadership Team



## Rob Choksi: Co-Founder & Managing Partner

Rob Choksi serves as Co-Founder and Managing Partner of Saber Street. With over a decade of extensive experience in healthcare operations and real estate having completed over \$1.4 billion in transaction volume, Rob brings a unique, hybrid skill set and a strong, diverse project track record to leadership of the firm. His responsibilities include implementation of corporate strategy, setting investment goals, business development, and the sourcing, negotiation and execution of development and acquisition projects inclusive of all debt and equity requirements.

Formerly serving as Head of Healthcare Real Estate and Managing Director for the prominent national commercial real estate firm Stream Realty Partners, Rob is considered one of the foremost experts on healthcare real estate market dynamics. Focused on transforming trusted relationships into strategic partnerships, Rob has seen great success in collaborating with investors, physicians and health systems, earning himself a formidable reputation in the tightly knit medical real estate community. Of his notable achievements at Stream, Rob sourced, masterminded and implemented the ownership and development of the Hedwig Place medical office project in the Memorial Villages, a core west Houston market as Stream's flagship healthcare real estate deal. The Class AA, 102,744 square foot building received its certificate of occupancy in Q3 2019 and is now a stabilized, high-value asset on the national stage.

Prior to Stream, Rob served as Vice President of Finance & Acquisitions at Pisula Development Company, a boutique real estate development and investment firm in southeast Texas, where he specialized in sourcing, structuring and underwriting acquisition and development opportunities for the firm's principals and investors alongside performing portfolio-level asset management duties. Additionally, Rob is an avid investor in commercial real estate and private equity markets. He also regularly trades public equity and index derivatives. In his spare time, Rob enjoys fly fishing, skiing, traveling and spending time with family and friends.



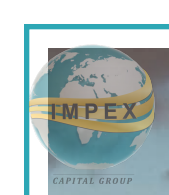
## Chris Haley: Co-Founder & Managing Partner

Chris Haley serves as Co-Founder and Managing Partner of Saber Street. Chris has approximately 12 years of experience in the real estate and construction industry, having completed over \$1 billion in healthcare transaction volume alone. His varied experience includes multi-national construction projects, development for a national healthcare system client, and multiple physician client projects. His responsibilities include oversight of all projects including the sourcing and structuring of those projects as well as overseeing all aspects of the organization. Chris began his career in project management for a multi-national construction and logistics company. After years of working internationally, he transitioned to financial roles in the energy industry before joining a boutique full service commercial real estate firm. Beginning as a financial analyst, he worked his way to Vice President of Acquisitions and Development with a focus on client partnership to drive value to all stake holders in the process. Chris' notable achievements include the development of a multi-state portfolio of Micro-Hospital projects for Tenet Healthcare as well as the acquisition of multiple 100,000+ square foot medical office buildings with the implementation of physician investment program. Chris brings expertise in managing the challenges of large capital projects, multiple stakeholders, complex structures, and understanding the specific credit risks involved in those projects.

He received his undergraduate degree from TCU from the Bob Schieffer school of Journalism and his master's in finance from the University of Houston. Additionally, Chris consults with and coaches high net worth individuals to better capture the value of their enterprises in private market transactions. He also regularly trades public equity and index derivatives. In his spare time, Chris enjoys supporting his son's soccer addiction, scuba diving, traveling, and spending time with family and friends.



# *Tenant Overview*





# Tenant Overviews

 **EL PASO INTEGRATED PHYSICIAN'S GROUP, P.A.**

TENANT:  
**El Paso Integrated Physicians**

SPECIALTY:  
**Multi-Specialty**

SUITES OCCUPIED:  
**100, 200**

SIZE:  
**13,850 SF**

LEASE EXPIRES:  
**12/1/2025**

WEBSITE:  
**epipg.com**

El Paso Integrated Physicians is a local multi-specialty group with 18 specialty healthcare providers spread across 4 locations throughout El Paso, TX. Services offered include Internal Medicine (6 specialists), Family Practice (2), Rheumatology (2), Nephrology (2), Optometry (1), Podiatry (1), Gastroenterology (1), and Wound Care (1). The doctors rotate between the 4 locations with all specialties offered at the occupied suites at the Mesa MOB. The tenant has occupied the Mesa MOB since 2015 and leases two suites, including a 250 SF lab space and a 13,600 SF medical office suite where patients receive their specialized care.



 **The Hospitals of PROVIDENCE**

TENANT:  
**Tenet Hospitals Limited dba The Hospitals of Providence**

SPECIALTY:  
**Bariatric**

SUITES OCCUPIED:  
**101-102**

SIZE:  
**15,000 SF**

LEASE EXPIRES:  
**7/31/2025**

WEBSITE:  
**tenethealth.com**

Tenet Health is a national health system comprised of 61 acute care hospitals, 56 outpatient urgent care centers, off-campus ED's/surgical hospitals, and 526 outpatient imaging and ambulatory surgical centers. In addition to their ambulatory and outpatient medical services footprint, Tenet Health manages United Surgical Partners International (USPI), the largest ambulatory platform in the United States, and Conifer Health Solutions, a healthcare-focused revenue cycle management firm. Conifer Health Solutions provides support and value-based care services for approximately 5.9 million patients, managing \$25 billion in annual net patient revenue.

DBA The Hospitals of Providence, Tenet has occupied the Mesa MOB since 2015 and operates a bariatric center that provides outpatient weight loss services for The Hospitals of Providence Sierra Campus located just 4 miles from the Property. Tenet is one of the largest for-profit operators of acute care hospitals and ambulatory surgery centers (ASCs) in the U.S. and holds a dominant and growing market share in the El Paso, TX market.





Established in January of 2009, Vista Hills Family Dental consists of a team of 5 doctors of dentistry, led by Dr. Jose Alvarez, an honors graduate from the University of Texas Health Science. The practice offers various dental services including cosmetic dentistry, restorative dentistry, and general dentistry. Cosmetic dental services include dental implants, teeth whitening, composite bonding, and installment of porcelain veneers and dental crowns. Restorative dental services offered include root canal treatments, dental bridges, dentures, and Botox. General dentistry services encompass periodontal gum care, preventative cleaning, braces, and cavity extraction. The Tenant recently signed a new 15-YR NNN lease with 3% annual escalators that will commence on 8/1/2023.

### Mesa MOB

TENANT:  
**Dr. Alvarez (Vista Hills Family Dental)**

SPECIALTY:  
**Dentistry**

SUITE OCCUPIED:  
**300**

SIZE:  
**9,022 SF**

LEASE COMMENCEMENT:  
**2/1/2024**

LEASE EXPIRES:  
**1/31/2039**

WEBSITE:  
**[vistahillsfamilydental.com](http://vistahillsfamilydental.com)**

### Vista Hills Dental MOB

TENANT:  
**Vista Hills Family Dental**

SPECIALTY:  
**Dentistry**

SUITE OCCUPIED:  
**Single Tenant**

SIZE:  
**15,689 SF**

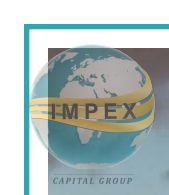
LEASE COMMENCEMENT:  
**8/1/2023**

LEASE EXPIRES:  
**7/31/2038**





# *Financial Overview*





# Cash Flow

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Report Period Ending	Aug-24	Aug-25	Aug-26	Aug-27	Aug-28	Aug-29	Aug-30	Aug-31	Aug-32	Aug-33
<b>Occupancy</b>	94%	97%	97%	99%	99%	99%	99%	93%	99%	99%
<b>Rental Income</b>										
Base Rental Income	1,215,627	1,230,393	1,182,788	1,212,390	1,246,016	1,280,596	1,316,158	1,412,660	1,468,681	1,512,742
<b>Total Rental Income</b>	<b>\$1,215,627</b>	<b>\$1,230,393</b>	<b>\$1,182,788</b>	<b>\$1,212,390</b>	<b>\$1,246,016</b>	<b>\$1,280,596</b>	<b>\$1,316,158</b>	<b>\$1,412,660</b>	<b>\$1,468,681</b>	<b>\$1,512,742</b>
Expense Reimbursement Income	461,367	510,752	550,691	586,253	601,977	618,135	634,739	598,482	719,197	740,773
Misc. Income	5,185	5,341	5,501	5,666	5,836	6,011	6,191	6,377	6,568	6,765
<b>Potential Gross Income</b>	<b>\$1,682,180</b>	<b>\$1,746,486</b>	<b>\$1,738,979</b>	<b>\$1,804,309</b>	<b>\$1,853,829</b>	<b>\$1,904,742</b>	<b>\$1,957,088</b>	<b>\$2,017,518</b>	<b>\$2,194,447</b>	<b>\$2,260,280</b>
Absorption & Turnover	-82,702	-28,325	-30,132	0	0	0	0	-129,111	0	0
General Vacancy	-10,159	-17,825	-18,338	-18,903	-19,469	-20,051	-20,651	-21,225	-21,951	-22,610
<b>Effective Gross Income</b>	<b>\$1,589,319</b>	<b>\$1,700,336</b>	<b>\$1,690,510</b>	<b>\$1,785,406</b>	<b>\$1,834,360</b>	<b>\$1,884,690</b>	<b>\$1,936,437</b>	<b>\$1,867,182</b>	<b>\$2,172,496</b>	<b>\$2,237,671</b>
<b>Operating Expenses</b>										
Building	57,868	59,604	61,392	63,234	65,131	67,085	69,097	71,170	73,305	75,505
G&A	38,693	39,854	41,049	42,281	43,549	44,856	46,201	47,588	49,015	50,486
Grounds	23,735	24,447	25,180	25,936	26,714	27,515	28,341	29,191	30,067	30,969
Insurance	22,723	23,405	24,107	24,830	25,575	26,342	27,133	27,947	28,785	29,649
Janitorial	53,723	55,335	56,995	58,705	60,466	62,280	64,148	66,073	68,055	70,096
Management Fee	37,194	40,210	39,591	42,104	43,229	44,385	45,573	43,119	51,892	53,449
Non-Recov. Opex	6,548	6,744	6,947	7,155	7,370	7,591	7,819	8,053	8,295	8,544
Real Estate Taxes	201,149	207,183	213,399	219,801	226,395	233,187	240,182	247,388	254,810	262,454
Utilities	128,886	132,753	136,735	140,837	145,062	149,414	153,897	158,514	163,269	168,167
<b>Total Operating Expenses</b>	<b>\$570,519</b>	<b>\$589,535</b>	<b>\$605,396</b>	<b>\$624,883</b>	<b>\$643,491</b>	<b>\$662,655</b>	<b>\$682,391</b>	<b>\$699,042</b>	<b>\$727,492</b>	<b>\$749,317</b>
<b>Net Operating Income</b>	<b>\$1,018,800</b>	<b>\$1,110,801</b>	<b>\$1,085,115</b>	<b>\$1,160,523</b>	<b>\$1,190,868</b>	<b>\$1,222,035</b>	<b>\$1,254,046</b>	<b>\$1,168,140</b>	<b>\$1,445,004</b>	<b>\$1,488,354</b>

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Report Period Ending	Aug-24	Aug-25	Aug-26	Aug-27	Aug-28	Aug-29	Aug-30	Aug-31	Aug-32	Aug-33
<b>Leasing Costs</b>										
Tenant Improvements/Leasing Commissions	906,578	275,038	275,038	0	0	0	0	776,344	0	0
<b>Total Leasing Costs</b>	<b>\$906,578</b>	<b>\$275,038</b>	<b>\$275,038</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>	<b>\$776,344</b>	<b>\$0</b>	<b>\$0</b>
<b>Capital Costs</b>										
AM Fee	\$46,580	\$47,977	\$49,417	\$50,899	\$52,426	\$53,999	\$55,619	\$57,288	\$59,006	\$60,776
CapEx	\$210,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Capital Reserves	\$9,468	\$9,752	\$10,045	\$10,346	\$10,656	\$10,976	\$11,305	\$11,644	\$11,994	\$12,354
<b>Total Capital Costs</b>	<b>\$266,048</b>	<b>\$57,729</b>	<b>\$59,461</b>	<b>\$61,245</b>	<b>\$63,083</b>	<b>\$64,975</b>	<b>\$66,924</b>	<b>\$68,932</b>	<b>\$71,000</b>	<b>\$73,130</b>
<b>Total Leasing and Capital Costs</b>	<b>\$1,172,626</b>	<b>\$332,767</b>	<b>\$334,499</b>	<b>\$61,245</b>	<b>\$63,083</b>	<b>\$64,975</b>	<b>\$66,924</b>	<b>\$845,276</b>	<b>\$71,000</b>	<b>\$73,130</b>
<b>Net Cash Flow</b>	<b>-\$153,826</b>	<b>\$778,034</b>	<b>\$750,615</b>	<b>\$1,099,277</b>	<b>\$1,127,786</b>	<b>\$1,157,060</b>	<b>\$1,187,122</b>	<b>\$322,864</b>	<b>\$1,374,004</b>	<b>\$1,415,224</b>

<b>DY (\$8.7M Initial Loan)</b>	11.8%									
<b>DY (Initial \$8.7MM Loan Plus Future Funding)</b>	11.1%	11.3%	10.8%	11.5%	12.0%	12.5%	13.0%	12.3%	15.5%	16.3%
<b>DSCR <sup>(1)</sup></b>	1.86x	1.88x	1.50x	1.60x	1.66x	1.73x	1.79x	1.69x	2.12x	2.21x
<b>DSCR <sup>(2)</sup></b>	1.58x	1.98x	1.62x	1.73x	1.79x	1.85x	1.92x	1.80x	2.25x	2.35x

(1) Fixed 6.00% swapped rate, 2 years IO then 30 yr. AM

(2) Floating, 1 Mo. Term SOFR plus 250 bps spread, 2 yrs. IO then 30 yr. AM



# Rent Roll

Property	Tenant	Status	Suite	Lease Start	Lease End	Term (Yrs.)	WALT	NRA SF	Ann. Rental Income	% of Property Rental Income	Base Rent \$/SF	Annual Rental Rate Increases	Lease Type
Mesa MOB	El Paso Integrated Physicians	Leased	100	1/1/18	12/1/25	7.9	2.5	250	\$12,000	1.3%	\$48.00	-	MG
Mesa MOB	Tenet Hospitals	Leased	101-102	8/1/15	7/31/25	10.0	2.2	15,000	\$412,500	45.5%	\$27.50	-	MG
Mesa MOB	El Paso Integrated Physicians	Leased	200	5/1/15	12/1/25	10.6	2.5	13,600	\$265,200	29.3%	\$19.50	-	MG
Mesa MOB	Dr. Alvarez	Leased	300	2/1/24	1/31/39	15.0	15.7	9,022	\$216,528	23.9%	\$24.00	3.00%	NNN
Vista Hills Dental	Vista Hills Dental	Leased	100	8/1/23	7/31/38	15.0	15.2	15,689	\$316,918	100%	\$20.20	3.00%	NNN
<b>Total (5 Leased / 0 Vacant)</b>						<b>12.5</b>	<b>8.4</b>	<b>53,561</b>	<b>\$1,223,146</b>	<b>-</b>	<b>\$22.84</b>		<b>46% NNN</b>

# Underwriting Assumptions

The following sets forth the underlying assumptions for the cash flow projections utilized in Berkadia's underwriting of the El Paso Medical Portfolio. The assumptions are based on information provided by the sponsor, historical, current and budgeted income and expense information, as well as projections of future performance based on analysis of current and anticipated market conditions. Lenders should base their underwriting and market assumptions on their own due diligence for each individual property and market.

## Mesa MOB

### General Assumptions

<b>Analysis Start Date:</b>	9/1/23
<b>Reporting Start Date:</b>	9/1/23
<b>Total Net Rentable Area:</b>	37,872
<b>General Vacancy:</b>	5%

### Revenue Assumptions

<b>Market Rent Growth:</b>	3.00%
<b>Reimbursement Method:</b>	Various (NNN, Modified Gross)
<b>Expense Recoveries:</b>	Contract Tenants: Per the leases Speculative Tenants: Net
<b>Misc. Income:</b>	\$5,185 per year (100% fixed) growing at 3%

### Expense Assumptions

<b>Operating Expenses:</b>	Proforma expenses utilized in Berkadia's operating projections take into consideration 2022 actual statements and the 2023 budget.
<b>Operating Expense Growth:</b>	3.00%
<b>Management Fee:</b>	3.00%
<b>AM Fee</b>	\$26,813, growing at 3% per year
<b>Capital Reserves:</b>	\$0.25/SF

## Vista Hills Dental Center

### General Assumptions

<b>Analysis Start Date:</b>	9/1/23
<b>Reporting Start Date:</b>	9/1/23
<b>Total Net Rentable Area:</b>	15,689
<b>General Vacancy:</b>	5%

### Revenue Assumptions

<b>Market Rent Growth:</b>	3.00%
<b>Reimbursement Method:</b>	NNN
<b>Expense Recoveries:</b>	Contract Tenants: Per the leases Speculative Tenants: No speculative lease-up
<b>Misc. Income:</b>	N/A

### Expense Assumptions

<b>Operating Expenses:</b>	Proforma expenses utilized in Berkadia's operating projections take into consideration 2022 actual statements and the 2023 budget.
<b>Operating Expense Growth:</b>	3.00%
<b>Management Fee:</b>	3.00%
<b>AM Fee</b>	\$8,921, growing at 3% per year
<b>Capital Reserves:</b>	\$0.25/SF



# Sale Comparables



**250 E BASSE RD**  
SAN ANTONIO, TX

**5072 PLANO PARKWAY**  
PLANO, TX

**1429 HWY 6**  
SUGAR LAND, TX

**1583 COMMON ST**  
NEW BRAUNFELS, TX

<b>DATE SOLD</b>	10/1/22
<b>SALES PRICE</b>	\$12,300,000
<b>SF</b>	38,370
<b>SALES PRICE (\$/PSF)</b>	\$320.56
<b>LAND ACRES</b>	2.00 AC

<b>DATE SOLD</b>	1/1/23
<b>SALES PRICE</b>	\$10,464,000
<b>SF</b>	34,848
<b>SALES PRICE (\$/PSF)</b>	\$300.28
<b>LAND ACRES</b>	2.00 AC

<b>DATE SOLD</b>	6/1/21
<b>SALES PRICE</b>	\$12,078,000
<b>SF</b>	41,000
<b>SALES PRICE (\$/PSF)</b>	\$294.59
<b>LAND ACRES</b>	2.72 AC

<b>DATE SOLD</b>	12/1/21
<b>SALES PRICE</b>	\$8,850,000
<b>SF</b>	31,861
<b>SALES PRICE (\$/PSF)</b>	\$277.77
<b>LAND ACRES</b>	2.35 AC

# Lease Comparables



**7451 PASEO DEL NORTE**  
EL PASO, TX

**6301 NORTHERN PASS DR**  
EL PASO, TX

**4301 N MESA ST**  
EL PASO, TX

**5130 GATEWAY BLVD EAST**  
EL PASO, TX

<b>TENANT NAME</b>	EP Physicians Group
<b>BUILDING CLASS</b>	A
<b>YEAR BUILT</b>	2023
<b>SF LEASED</b>	4,000 SF
<b>BASE RATE</b>	\$26.00/SF
<b>TYPE OF LEASE</b>	NNN
<b>INCREASES</b>	3% Annual Increases

<b>TENANT NAME</b>	Dr. Osama Naga
<b>BUILDING CLASS</b>	A
<b>YEAR BUILT</b>	2022
<b>SF LEASED</b>	2,800 SF
<b>BASE RATE</b>	\$28.00/SF
<b>TYPE OF LEASE</b>	NNN
<b>INCREASES</b>	2% Annual Increases

<b>TENANT NAME</b>	EP Cardiology Consultants
<b>BUILDING CLASS</b>	A
<b>YEAR BUILT</b>	2023
<b>SF LEASED</b>	15,000 SF
<b>BASE RATE</b>	\$29.40/SF
<b>TYPE OF LEASE</b>	NNN
<b>INCREASES</b>	3% Annual Increases

<b>TENANT NAME</b>	Texas Tech Health Science Center
<b>BUILDING CLASS</b>	A
<b>YEAR BUILT</b>	2016
<b>SF LEASED</b>	12,760 SF
<b>BASE RATE</b>	\$30.00/SF
<b>TYPE OF LEASE</b>	NNN
<b>INCREASES</b>	3% Annual Increases



**BERKADIA**<sup>®</sup>  
MEDICAL & LIFE SCIENCES

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**El Paso**  
MEDICAL PORTFOLIO

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