

“ACADEMY BANK RESPONDS WITH URGENCY.”

► **DARIUS KERMAN**

CEO, AFC Urgent Care Denver



DONE DEAL.

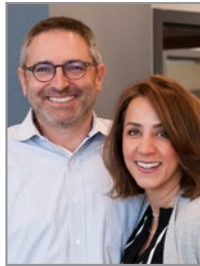
 **ACADEMYBANK**

THE AFC URGENT CARE DENVER DEAL

URGENT COMMITMENT

A business that is good for people is a good business to be in.

That's the philosophy of Darius and Shay Kerman, the owners of AFC Urgent Care Denver, a franchise of American Family Care, the nation's first and only network of franchise urgent care clinics, and the fastest-growing, privately owned urgent care company in the U.S. The Kermans, successful entrepreneurs and two of the network's few multi-franchise owners, have committed to opening and operating a total of 10 clinics serving metro Denver communities.



Darius & Shay Kerman

Urgent care clinics provide doctors and nursing staff the ability to treat patients with non-emergency medical issues like minor injuries, illnesses and influenza in a fast and affordable manner, filling a widening gap between overbooked family practices and emergency rooms with long wait times and high costs.

One key to the network's rapid expansion is its franchise model, which can grow much faster than a conventional company because each franchisee brings in their own capital or financing to open and grow their locations, without injecting private equity capital from Wall Street, hospital systems or larger corporate partners. For the capital he needed to open his third clinic, Mr. Kerman turned to Academy Bank.

MODEL CUSTOMER

According to Bret Duston, Senior Vice President and Director of Commercial Banking at Academy Bank, "Darius is the kind of customer any bank would love to have; highly organized and very entrepreneurial, with an eye for precision in his operations and transparency in his finances.



Bret Duston

"However, banks won't typically back an early-stage company. Most banks, including Academy, would prefer to base their lending decision on three years of prior business performance.

"Darius' previous clinics had opened in rapid succession, and there was less than a year's performance data on them. So, we worked with Darius and the data he had in hand to model his operations and projections, and make certain the loan payment would fit in the clinic's cash flow. With this "financial triage," we were able to make a recommendation to our credit team, and help the customer with a lending solution that worked for his business."



► ABOUT AFC URGENT CARE DENVER

3800 Irving, Denver, CO

AFC Urgent Care Denver, a franchise of American Family Care, operates its third clinic in the West Highlands at 38th & Irving, a hard-corner lot with ample parking and the former site of Colorado's first King Soopers neighborhood grocery store, built in 1925.

In addition to the first-floor clinic facility, a large basement with 12-foot ceilings is now home to the clinic's management company, Urgent Care Solutions. Renovations to the property included correction of previous fire damage, building code upgrades, new HVAC, architectural modifications, tenant improvements and new exterior concrete flatwork.

- Property: AFC Urgent Care Denver
- Site Size: 11,800 sq. ft.
- Space: 10,000 sq. ft. (2 floors)
- Zoning: Mixed Use
- Amenities: Hard corner, adjoining surface parking, high-visibility lot
- Location: 3800 Irving St., West Highlands area, Denver
- Owner: Darius and Shay Kerman

CORNERING THE MARKET

Another vital element of the success of AFC Urgent Care Denver is the careful selection of their clinic sites. They search for the right locations to best serve the community, optimizing patient traffic and offering the highest ROI.

“ACADEMY BANK BROUGHT OUR CLINIC TO LIFE. FROM THE PURCHASE OF THE PROPERTY, THROUGH RENOVATIONS, REMODEL AND TENANT IMPROVEMENT OF THE BUILDING, AND EVEN FINANCING THE CLINICAL EQUIPMENT WE NEEDED, ACADEMY WAS THERE FOR US.

– Darius Kerman,
CEO, AFC Urgent Care Denver

The property Mr. Kerman selected, at 3800 Irving Street, is an 11,800 square-foot, hard-corner lot with high visibility, immediately adjoining ample surface parking. The building, the former site of the first King Soopers neighborhood market in Colorado, had been erected in 1925 and incorporated 10,000 square feet of usable space in its ground floor and basement.

Academy Bank approved the initial acquisition so Mr. Kerman could secure the property quickly. Real estate opportunities in Denver are highly time-sensitive as the market is fast-paced.

Academy remained flexible knowing term loan amounts would evolve once estimates and budgets were finalized. Renovation costs came in roughly 20% above initial estimates, due to the discovery of a few structural issues, repair of some minor previous fire damage and the need to replace the building's HVAC. An additional bridge loan addressed overages and helped assure the success of the project.

All told, the financing Academy Bank offered allowed Mr. Kerman to acquire the property for the clinic, rehab and remodel the building that would house the clinic, equip and furnish the clinic and get it open for business. Academy also offered Mr. Kerman's operating company a line of credit for working capital purposes which continues to be part of his war chest, helping him grow his clinics and maintain the stability of his operations.

From its opening, the clinic has been very successful — a credit to Mr. Kerman's management and judgment.

The building's large basement, featuring 12-foot ceilings, has been transformed into Mr. Kerman's company headquarters, housing financial, operational and accounting employees, in addition to the clinical operations on the ground floor.

As Mr. Kerman tells it, “Academy Bank offered us very competitive rates. But we also liked their fast answers to our questions and their quick decisions. Academy Bank responds with urgency.

“I especially appreciated dealing with Bret Duston throughout the entire process. Other banks will hand you off to different people in different departments for different parts of the loan process, and the next person doesn't know your situation or the discussions you've had previously, so you lose time recovering old ground. But working with Academy was quick and easy for me. It was great to have a single point of contact, dealing with the same lending professional from beginning to end.

“I HAD ALWAYS ASSUMED THE BIGGEST BANKS WERE MORE POWERFUL, CREDIBLE AND RELIABLE. ACADEMY BANK CHANGED MY MIND ABOUT THAT.”

– Darius Kerman,
CEO, AFC Urgent Care Denver

“During the renovation, I faced higher costs than anticipated. When you buy an existing building, you're never sure what to expect. You learn things as you open up walls and rip out floors that impact your costs. Academy Bank stayed flexible and worked with us to cover overages.

“Academy Bank brought our clinic to life. From the purchase of the property, through renovations, remodel and tenant improvement of the building, and even financing the clinical equipment we needed, Academy was there for us. Another great advantage was the line of credit they facilitated, which makes a huge difference in our operational peace of mind. If there's a new opportunity, or we need to inject some capital to grow the business, that money is available within hours, without additional questions or approvals. That liquidity is a big plus for us.

“I used to be nervous about working with smaller banks because I had always assumed the biggest banks were more powerful, credible and reliable — Academy changed my mind about that.

► THE STORY BEHIND

THE AFC URGENT CARE DENVER DEAL

Academy Bank is a better solution for businesses like mine who need a tailored solution to a complicated setup. I think Academy works the way our clinics work — we bring surprising capability and flexibility to every case, the resources you might expect from a much larger health care system, the right answers for urgent mid-range needs and the personal attention of a smaller healthcare facility. AFC Urgent Care Denver follows up with our patients once they're out the door to make sure they're feeling better. Likewise, Academy Bank stays in touch with us on a regular basis. It's a continuing relationship that cares for our company's health and strength. That's why Academy is our number one bank."

A HEALTHY OUTLOOK

Academy Bank takes pride in all the customers who trust us to serve their interests. In their own ways, each business and every deal produce opportunities, employment and economic development that make our communities better and stronger.

We are especially proud to work for and with physicians, dentists and caregivers of all kinds, who provide for the health and quality of life of our friends and neighbors. Their growth and success constantly remind us that when a business is good for people, it's good for our business, too.

ABOUT ACADEMY BANK

Academy Bank is a full-service bank with 71 retail and community branches in Denver, Colorado Springs and multiple locations throughout Colorado, as well as Arizona, Kansas and Missouri. As part of the Dickinson Financial Corporation family of banks with over \$2.5 billion in assets, we also serve active and retired military and civilian clients across the United States through 36 Armed Forces Bank branches in 15 states.

NEED A DONE DEAL?

Trust the experienced team at Academy Bank with your vision and let us show you the possibilities for your next project.

CONTACT OUR COLORADO COMMERCIAL LENDING DIRECTOR:

BRET DUSTON

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For more information on our commercial lending solutions, visit
[ACADEMYBANK.COM/COMMERCIAL](https://www.academybank.com/commercial)

