

*Davita*<sup>®</sup>

*Davita* Dialysis



\*REPRESENTATIVE PHOTO



OFFERING  
MEMORANDUM

**DAVITA DIALYSIS**

ABSOLUTE NNN LEASED OFFERING

3111 LONG BEACH BOULEVARD LONG BEACH, CA 90807

OFFERING MEMORANDUM  
**PRESENTED BY:**

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# INVESTMENT OVERVIEW



The Kase Group is pleased to present this DaVita Dialysis in Long Beach, California with a rare absolute NNN lease. The original lease was executed February 8, 2001, and was recently extended for an additional 10 years with a June, 5, 2029 expiration. The tenant has two, five-year options to renew beyond the initial term at 95% of FMV. DaVita recently installed a new monument sign at its own cost.

## INVESTMENT HIGHLIGHTS

10-YEAR ABSOLUTE NNN LEASE

10% INCREASE IN YEAR SIX

TROPHY LOCATION IN LONG BEACH, CALIFORNIA

ASSET BENEFITS FROM ITS CLOSE PROXIMITY TO  
MEMORIAL CARE HEALTH SYSTEM

100% FEE SIMPLE INTEREST

MONUMENTAL SIGNAGE

## OFFERING SPECIFICATIONS

PRICE \$5,807,495

CAP RATE 4.75%

NET OPERATING INCOME \$275,856

SQUARE FOOTAGE 8,400

LOT SIZE 0.66 AC

YEAR BUILT 2001

# FINANCIAL SUMMARY

## DAVITA DIALYSIS • ABSOLUTE NNN LEASED OFFERING

3111 LONG BEACH BOULEVARD LONG BEACH, CA 90807

\$5,807,495 • 4.75%

### SUMMARY

TENANT NAME	DAVITA DIALYSIS
SQUARE FOOTAGE	8,400
LEASE BEGINS	02/08/2001
LEASE ENDS	06/05/2029
ANNUAL RENT	\$275,856
OPTIONS	Two, 5-Year
INCREASES	95% OF FMV

### RENT SCHEDULE

	NET OPERATING INCOME	CAP RATE
CURRENT	\$275,856.00	4.75%
2024-2029	\$303,408	5.23%

# TENANT OVERVIEW

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## DAVITA DIALYSIS

DaVita Inc. provides kidney dialysis services through a network of 2,664 outpatient dialysis centers in the United States, serving 202,700 patients, and 241 outpatient dialysis centers in other countries. The company primarily treats end-stage renal disease (ESRD), which requires patients to undergo dialysis 3 times per week for the rest of their lives. The company has a 37% market share in the dialysis market. It is organized in Delaware and based in Denver.

In 2018, 69% of the company's revenues came from Medicare and other government-based health insurance programs. In 2018, 89.6% of the company's patients were covered by government-based health insurance programs. Commercial payers, which accounted for 31% of revenues in 2018, generate all of the company's profit as they reimburse at a much higher rate than government-based health insurance programs.

The company is ranked 188th on the 2019 Fortune 500.



**PUBLICLY** TRADED



**2,660+** LOCATIONS



**FORTUNE 500**  
COMPANY



# LOCATION AERIAL





# DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
<b>TOTAL POPULATION</b>	<b>264,921</b>	<b>596,374</b>	<b>2,062,447</b>
<b>TOTAL HOUSEHOLDS</b>	<b>82,621</b>	<b>199,696</b>	<b>646,380</b>
<b>AVERAGE HOUSEHOLD INCOME</b>	<b>\$67,015</b>	<b>\$78,520</b>	<b>\$82,846</b>
<b>AVERAGE AGE</b>	<b>35.10</b>	<b>36.40</b>	<b>37.10</b>



# AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL HOUSEHOLDS	82,621	199,696	646,380
TOTAL POPULATION	264,921	596,374	2,062,447
PERSONS PER HOUSEHOLD	2.60	2.60	2.50
AVERAGE HOUSEHOLD INCOME	\$67,015	\$78,520	\$82,846
AVERAGE HOUSE VALUE	\$450,006	\$468,219	\$483,894
AVERAGE AGE	35.10	36.40	37.10
POPULATION WHITE	157,939	377,803	1,365,977
POPULATION BLACK	41,738	89,007	258,920
POPULATION AM. INDIAN & ALASKAN	4,469	9,315	30,001
POPULATION ASIAN	47,411	89,393	324,327
POPULATION HAWAIIAN & PACIFIC ISLAND	4,030	8,930	18,589
POPULATION OTHER	9,334	21,925	64,632

## LONG BEACH, CALIFORNIA

Long Beach is a city on the Pacific Coast of the United States, within the Greater Los Angeles area of Southern California. As of 2010, its population was 462,257. It is the 39th most populous city in the United States and the 7th most populous in California. Long Beach is the second-largest city in the Los Angeles metropolitan area and the third largest in Southern California behind Los Angeles and San Diego. Long Beach is a charter city.

The Port of Long Beach is the second busiest container port in the United States and is among the world's largest shipping ports. The city also maintains a progressively declining oil industry with minor wells located both directly beneath the city as well as offshore. Manufacturing sectors include those in aircraft, automotive parts, electronic equipment, audiovisual equipment, petrochemicals, precision metals and home furnishings.

Long Beach lies in the southeastern corner of Los Angeles County and borders Orange County. Downtown Long Beach is approximately 22 miles south of downtown Los Angeles, though the two cities share an official border for several miles.



**The Kase Group**

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