

RECESSION-PROOF HEALTHCARE FACILITY

DAVITA LONG BEACH

ESSENTIAL BUSINESS OFFERING



Davita

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RARE 2.5% ANNUAL
RENT INCREASES



15-YR. NNN LEASE,
EXPIRING MARCH 2035



STATE OF THE ART CLINIC
BUILT IN 2020

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\$11,029,133
4.5% CAP RATE



RENTABLE BLDG AREA
11,747 SF



LOT SIZE
.72 Acres



NEW CLINIC | BUILT
2020



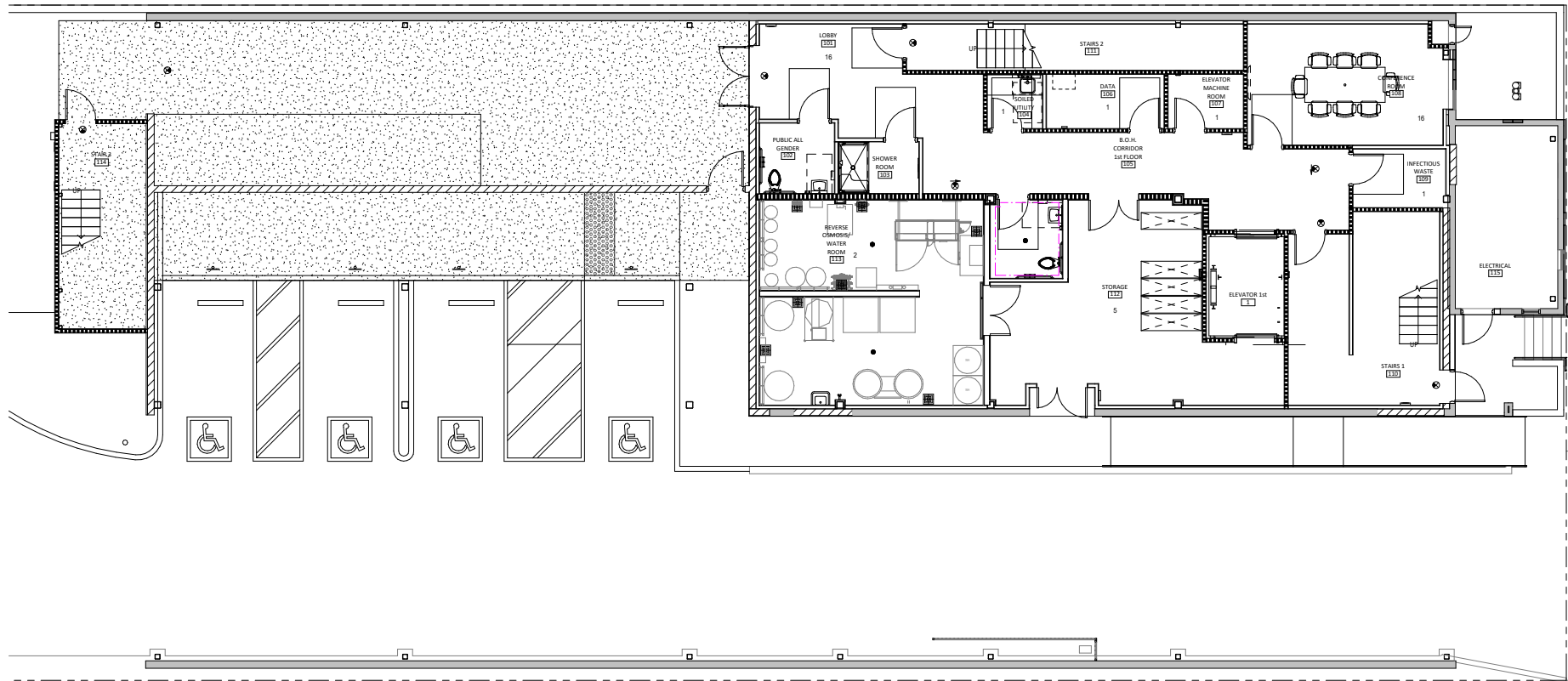
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\$496,311.00

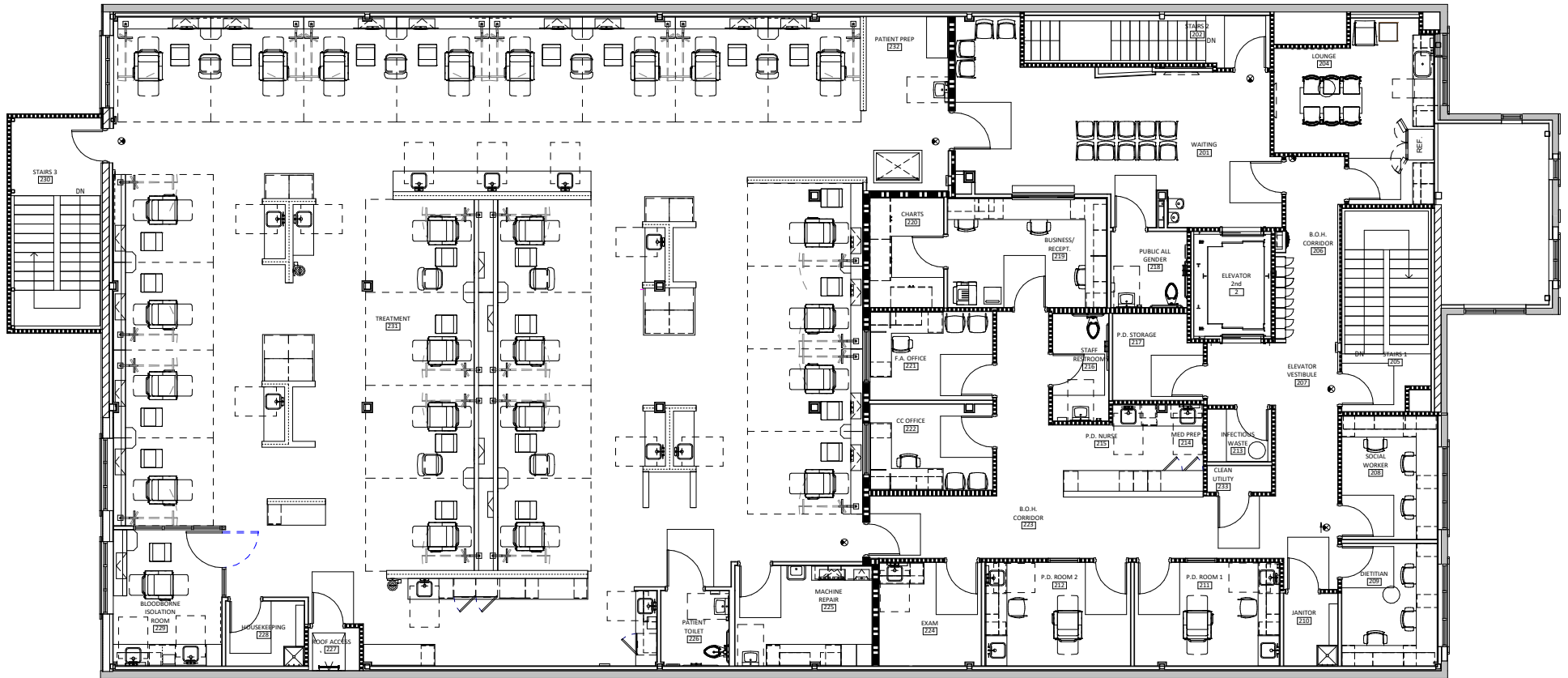
LEASE SUMMARY

LEASE TYPE	NNN (Roof & Structure)
OWNERSHIP TYPE	Fee Simple
TENANT	Total Renal Care, Inc. (with full corporate guarantee by DaVita, Inc.)
REMAINING LEASE TERM	15 years
RENT COMMENCEMENT	March 2020
RENT EXPIRATION	March 2035
INCREASES	2.5% annual
OPTIONS	Three 5-year options

RENT SUMMARY

TERM	ANNUAL	MONTHLY
YEAR 1	\$496,311.00	\$41,359.25
YEAR 2	\$508,718.78	\$42,393.23
YEAR 3	\$521,436.74	\$43,453.06
YEAR 4	\$534,472.66	\$44,539.39
YEAR 5	\$547,834.48	\$45,652.87
YEAR 6	\$561,530.34	\$46,794.20
YEAR 7	\$575,568.60	\$47,964.05
YEAR 8	\$589,957.82	\$49,163.15
YEAR 9	\$604,706.76	\$50,392.23
YEAR 10	\$619,824.43	\$51,652.04
YEAR 11	\$635,320.04	\$52,943.34
YEAR 12	\$651,203.04	\$54,266.92
YEAR 13	\$667,483.12	\$55,623.59
YEAR 14	\$684,170.20	\$57,014.18
YEAR 15	\$701,274.45	\$58,439.54







The Long Beach DaVita clinic is a newly-built medical facility for kidney dialysis services. The building is 100% leased to Total Renal Care, Inc., via a new 15-year lease term, commencing in March of 2020. The lease is corporately guaranteed by DaVita, Inc., and includes rare annual rent increases of 2.5% during the primary term, as well as three 5-year, fixed-rate option periods. The facility was completed in 2020 to provide 11,747 square feet of state-of-the-art clinic space. The property consists of 24 patient stations plus 2 private dialysis rooms.

The dialysis clinic features a superior infill location in Long Beach and is ideally located with excellent access and visibility on East Anaheim Street (VPD: 38,000). The clinic is located only one-half mile east of Pacific Coast Highway (VPD: 48,000) and one-half mile south of the Circle Area (VPD: 30,500). Furthermore, the clinic is centrally located between three major hospitals, The VA Long Beach, one of the nation's largest and most diversified health centers for the VA network, The Dignity Health St. Mary Medical Center (389 beds), and Long Beach Memorial Medical Center (420 beds). The facility is surrounded by dense residential neighborhoods, national retail tenants, and some the region's primary demand generators including Downtown Long Beach, Aquarium of the Pacific, the historic Queen Mary, and Cal-State University Long Beach.

The population within a 5-mile radius of the facility exceeds 481,000 residents and average household income exceeds \$88K. Long Beach is a part of the Greater Los Angeles metropolitan area, which is populated by over 18.7 million people. It is the 2nd most populous area in the United States, and the 18th largest metropolitan area in the World.

SECURE INCOME STREAM

- New 15-year lease term
- Rare annual 2.5% rent increases, plus three fixed-rate options
- Brand new state-of-the-art clinic, completed in 2020

ESSENTIAL, RECESSION-RESISTANT TENANT

- The government has provided healthcare coverage for end stage renal disease (ESRD) since 1972 under the Medicare ESRD Program
- Given the nature of the product, healthcare related real estate has been the least affected by economic recession and demand of e-commerce
- DaVita is the fastest growing corporation on the Fortune 200 list, with 2016 revenues exceeding \$14 Billion and net income of \$880 million. DaVita Inc. has a net worth of \$4.6 Billion and holds a Ba2 credit rating from Moody's

PROXIMITY

- Over 481,000 residents and an average household income exceeding \$88K within a five-mile radius.
- The clinic is centrally located between three major hospitals, The VA Long Beach, one of the nation's most diversified health care systems for VA, The Dignity Health St. Mary Medical Center (389 beds) and Long Beach Memorial (420 beds)
- The facility is surrounded by dense residential neighborhoods, national retail tenants and some the regions primary demand generators including Downtown Long Beach, Aquarium of the Pacific, the historic Queen Mary and Cal-State University Long Beach



QUEEN MARY

PORT OF
LONG BEACH

LONG BEACH
AQUARIUM

DOWNTOWN
LONGBEACH

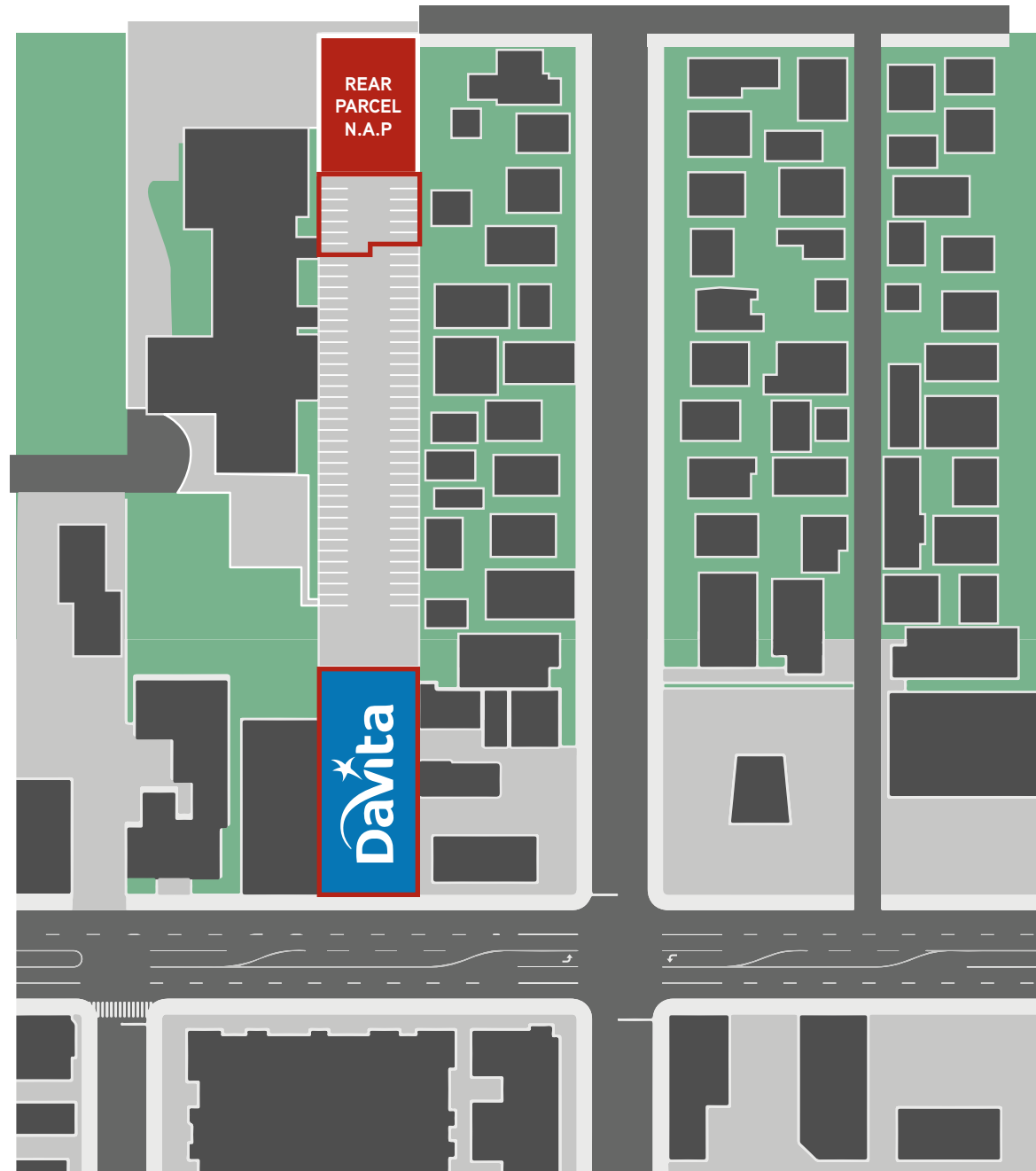
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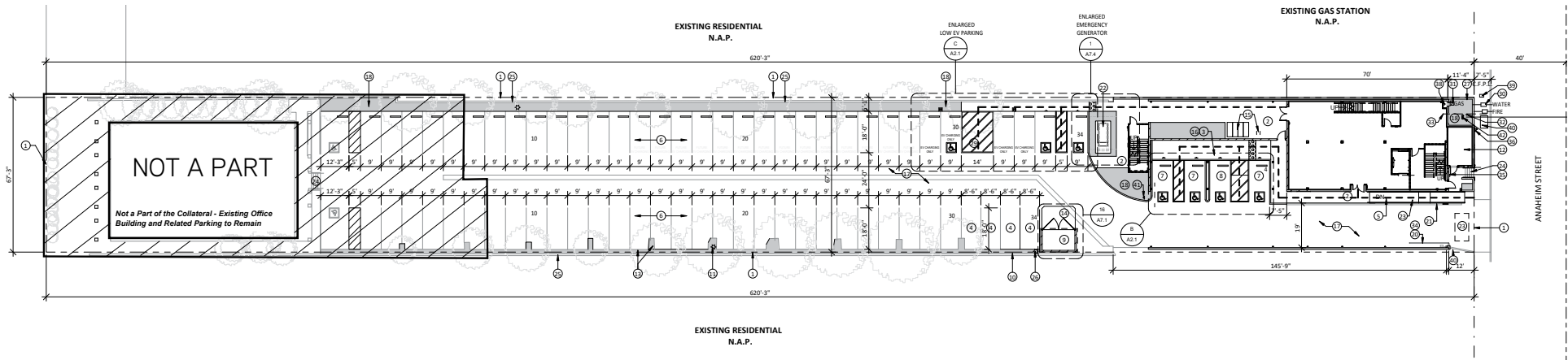
VA LONG BEACH

Davita

DIGNITY HEALTH -
ST. MARY MEDICAL
CENTER

MEMORIALCARE
LONG BEACH
MEDICAL CENTER







DaVita, Inc. provides kidney dialysis services for patients suffering from chronic kidney failure or end stage renal disease (ESRD). The company operates in two divisions, Kidney Care and HealthCare Partners. It operates kidney dialysis centers and provides related lab services primarily in outpatient dialysis centers and in contracted hospitals. The company offers outpatient, hospital inpatient, and home-based hemodialysis services; owns clinical laboratories that provide routine laboratory tests for dialysis and other physician-prescribed laboratory tests for ESRD patients; and management and administrative services to outpatient dialysis centers, as well as patient and physician focused integrated health care delivery and management services. In addition, the company operates DaVita Rx, a pharmacy that provides oral medications to patients with ESRD; disease management services; vascular access services; clinical research programs; physician services; and direct primary care services.

As of December 31, 2016, the company provided dialysis and administrative services in the United States through a network of 2,350 outpatient dialysis centers in 46 states and the District of Columbia serving approximately 188,000 patients; operated or provided administrative services to a total of 124 outpatient dialysis centers located in 10 countries outside of the United States and integrated care management services for approximately 837,300 members under its care in southern California, central and south Florida, southern Nevada, central New Mexico, and central Arizona.

It also provides acute inpatient dialysis services in approximately 1,000 hospitals and related laboratory services in the United States. The company was formerly known as DaVita Inc. and changed its name to DaVita HealthCare Partners Inc. in November 2012. DaVita HealthCare Partners Inc. was founded in 1994 and is headquartered in Denver, Colorado.

More information available at www.davita.com.



CLINICS
2,382

PATIENTS SERVED
189,400

REVENUES
\$14.7 B



LAX
Los Angeles World Airports

MANHATTAN VILLAGE
★ macy's **Ralphs**

405

SOUTH BAY GALLERIA
Target **Ralphs**
TARGET. NORDSTROM

Harbor-UCLA
MEDICAL CENTER

DEL AMO FASHION CENTER
DICK'S SPORTING GOODS. **Marshalls** **Walmart**

110

SOUTH BAY PAVILION
Target **JCPenney** **IKEA**

710

long beach
airport

MemorialCare
Long Beach Medical Center

KAISER
PERMANENTE

Dignity
Health

Davita

AQUARIUM
OF THE PACIFIC

LAKEWOOD CENTER
Target ★ macy's **COSTCO** **WHOLESALE**

Cerritos
College

LOS CERRITOS CENTER
DICK'S SPORTING GOODS. ★ macy's **FOREVER 21**

605

WEST ANAHEIM
MEDICAL CENTER

PIH
HEALTH

LB CALIFORNIA STATE UNIVERSITY
LONG BEACH

Department of
Veterans Affairs

22

405

OVERVIEW

Los Angeles is the most populated county in the U.S. and the dominant economic center of Southern California. Though it once concentrated heavily on aerospace, entertainment and tourism, the economy of Los Angeles County is now among the most diversified in the world. Building upon the county's thriving technological research capabilities, the expanding economic base now includes industries such as bio-med, digital information and advanced transportation technology.

POPULATION

Los Angeles County boasts one of the most affluent populations in the world, its position along the California coast combined with its diverse economy and temperate weather make it home to many of the nation's most upscale communities. The people, educational facilities, appealing climate and infrastructure have enabled Southern California and Los Angeles County to emerge as a leading business, trade and cultural center.

ECONOMY

The estimated population of Los Angeles County is 10.28 million, with an average household income of \$90,439 per year. Los Angeles County's population grew by 4.7% since 2010, but the rate is increasing and the county is expected to see a further population growth of 3.20% over the next five years.

The unemployment rate in Los Angeles is 4.4% as of August 2013, compared to the California state-wide rate of 4.7%. Between May 2016 and May 2017, Los Angeles County total nonfarm employment grew by 55,700 jobs, or 1.3 percent. Employment growth was led by the Educational and health services industries, which had increases of 25,500 jobs in the past 12 months. The Professional & Business Services and Leisure and Hospitality also had strong growth, adding 15,900 and 9,000 jobs respectively. Information and were the only Industries that had significant job losses this year, each losing 7,700 and 5,600 jobs respectively.



	1 MILE	3 MILES	5 MILES
2019	POPULATION		
	Total	41,469	257,890
	HOUSING UNITS		
	Total	18,258	107,315
	Occupied	17,018	99,677
	Vacant	1,240	7,638
	INCOME		
2024	Average Household Income	\$85,118	\$90,772
	AGE		
	Median Age	33	35

	1 MILE	3 MILES	5 MILES
2024	POPULATION		
	Total	41,932	262,240
	HOUSING UNITS		
	Total	18,368	108,589
	Occupied	17,112	100,972
	Vacant	1,256	7,616
	AGE		
2024	Median Age	33.7	35.7

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