



Flower Medical Center

817 West 17th Street, Santa Ana, CA

Evaluation By

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An aerial photograph of a city street intersection. The image shows a grid of streets with various buildings, including a large medical office building, parking lots filled with cars, and residential houses. There are trees and green spaces interspersed among the buildings. The text is overlaid on the image in a white, sans-serif font.

Executive Summary

Marcus & Millichap has been selected to exclusively market for sale the Flower Medical Center located at 817 W 17th St, in Santa Ana, CA. The 5,800± square foot medical office building currently operates as a highly sought-after outpatient surgery center, with full certification and licenses to operate.

The listing presents the opportunity to purchase a medical office building along one of Santa Ana's busiest corridors, at the entrance to the Floral Park neighborhood. The sale of the real estate shall incorporate the licensing and permitting to operate as Santa Ana's ONLY outpatient surgery center. The property is three stories, and was designed to maximize parking at ground level, with elevator access to the floors above. The parking area is secured with steel fencing and gates to provide security and access throughout each day, and accessible from 17th Street and a back alley accessible from Flower Street.

Investment Summary

Financial Analysis

List Price	\$1,690,000
GLA	±5,800 SF
Price Per Foot	\$291.37
Lot Size	±0.20 AC (±8,633 SF)

Property Details

Property Address	817 W 17th Street Santa Ana, CA 92706
Assessor's Parcel Number	002-094-24
Zoning	C-1, CG
Year Built	1970
Stories	Three; Elevator
Parking	Three Stalls Per 1,000 SF
Ownership	Fee Simple



Rare Santa Ana Medical Office Opportunity

- Combining the Upward Trend for Cost to Rent with a Low Down/Low Interest Loan Market makes for an Optimal Owner/User Opportunity
- Existing Office Space allows for Turnkey on this Desirable Medical Building on the corner of 17th and Flower St offers a Value-Add Investment.

High Exposure Location Along Busy Corridors

- Premium Signalized Location at the Hard Corner of 17th Street & Flower Street.
- Highly Visible Property with Large Monument Signage.
- Close Proximity to the Highly Prestigious Floral Park Neighborhood.

Dense Submarket Area, North of Downtown

- Diverse Employment like tourism, high-tech operations, healthcare, education and aerospace/military contractors are all major employers in the metro area.
- There is a population of +364,483 in the immediate three-mile radius surrounding the subject property.
- Orange County is in a 30 mile proximity to Los Angeles and 90 Miles away from San Diego. The Mexican Border is 110 Miles Away.

Aerial Overview

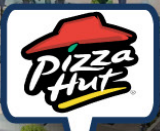
Downtown Santa Ana Civic Center Area



MAIN STREET



Dental
Offices



Flower Terrace
Apartments
200 Units

Willard
Intermediate School

WEST 17TH STREET
38,000+ VPD

Subject
Property

FLOWER STREET
17,500+ VPD

Wellington Square,
Office Condominiums

Mexican
Restaurant

Northeastern Aerial



Southwestern Aerial



Upstairs Main Office



Upstairs Lobby



Interior Photos



Opportunity Zone



City of Santa Ana Zoning Map					
Santa Ana Zoning Designations / Description					
Zone	Description	Zone	Description	Zone	Description
A1	General Agricultural	DT	Downtown	R4	Suburban Apartment
C1	Community Commercial	GC	Government Center	RE	Residential Estate
C1-MD	Community Commercial - Museum District	M1	Light Industrial	SD	Specific Development
C2	General Commercial	M2	Heavy Industrial	SP	Specific Plan
C4	Planned Shopping Center	O	Open Space	TV	Transit Village
C5	Arterial Commercial	P	Professional	UC	Urban Center
CDR	Corridor	R1	Single-Family Residence	UN1	Urban Neighborhood 1
CR	Commercial Residential	R2	Two-Family Residence	UN2	Urban Neighborhood 2
C-SM	South Main Street Commercial District	R3	Multiple-Family Residence		

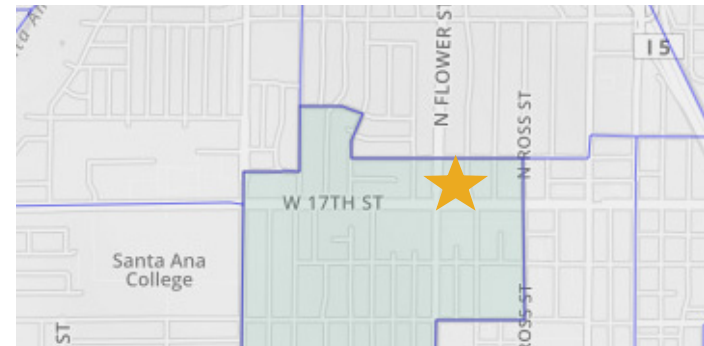
Property Use and Zoning

The subject property consists of +5,800 square feet on 0.19 AC lot and is located in the C-1 district of Santa Ana. The property is currently zoned for Community Commercial property use and is being utilized as the only surgery/outpatient center in Santa Ana.

Orange County Opportunity Zone

This property is located in an Opportunity Zone Tract 751. Investments made by individuals through special funds in this zone would be **allowed to defer or eliminate federal taxes on capital gains.**

The Governor can designate up to 25 percent of census tracts that either have poverty rates of at least 20 percent or median family incomes of no more than 80 percent of statewide or metropolitan area family income. There are 3,516 census tracts in 54 California counties that would qualify under one or both of the mandatory criteria, allowing the Governor to designate up to 879 tracts. As census tracts are designed to capture geographic areas of around 4,000 people, more than 3 million Californians would potentially be located in one of these areas. This federal tax bill passed at the end of December 2017.



<https://censusreporter.org/profiles/14000US06059075100-census-tract-751-orange-ca/>

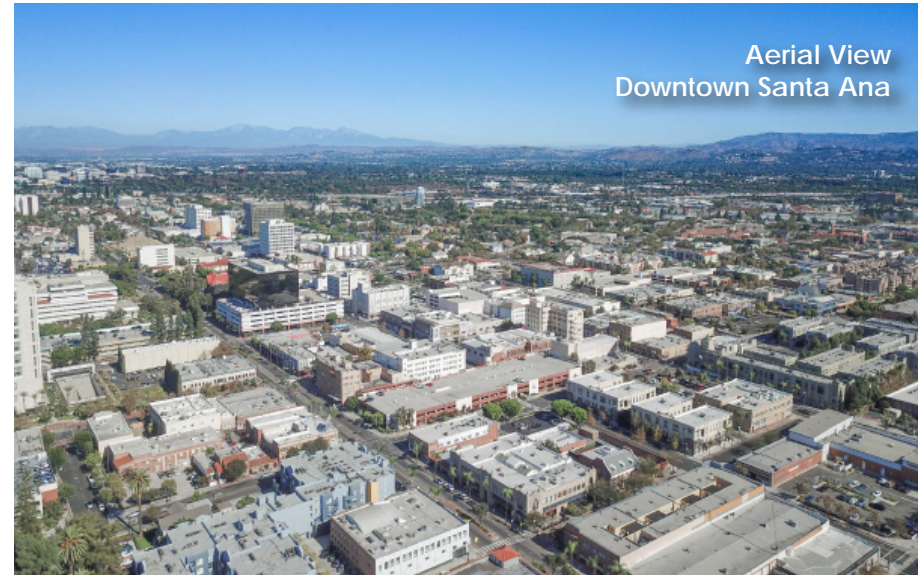
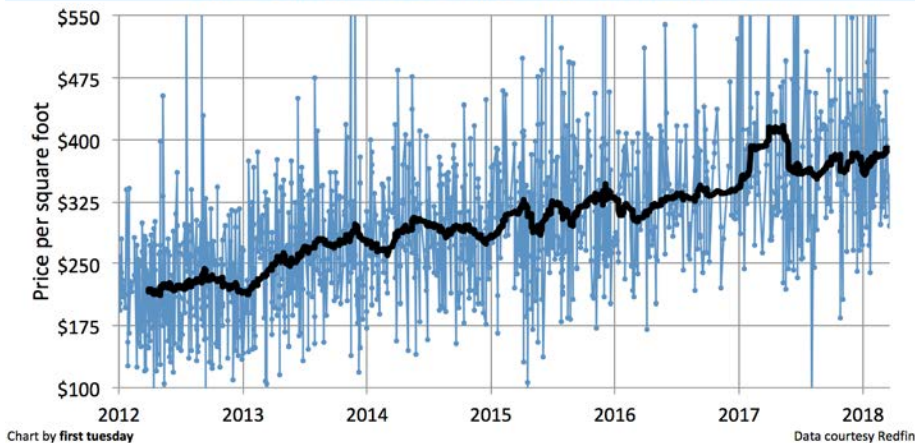
Market Overview



Santa Ana, CA

Santa Ana is the county seat and second most populous city in Orange County, California. The United States Census Bureau estimated its 2011 population at 329,427, making Santa Ana the 57th most-populous city in the United States. Santa Ana is located in Southern California, adjacent to the Santa Ana River, about 10 miles (16 km) away from the California coast. Founded in 1869, the city is part of the Greater Los Angeles Area, the second largest metropolitan area in the United States with almost 18 million residents in 2010. Santa Ana is a very densely populated city, ranking fourth nationally in that regard among cities of over 300,000 residents (trailing only New York City, San Francisco, and Boston). In 2011 Forbes ranked Santa Ana the fourth-safest city of over 250,000 residents in the United States. Santa Ana lends its name to the Santa Ana Freeway (I-5), which runs through the city. It also shares its name with the nearby Santa Ana Mountains, and the Santa Ana winds, which have historically fueled seasonal wildfires throughout Southern California.

Santa Ana Square Foot Price Analysis: Jan 2012 - Mar 2018



Orange County, CA

Orange County is a county in the U.S. state of California. As of the 2010 census, the population was 3,010,232 making it the third-most populous county in California, the sixth-most populous in the United States, and more populous than twenty-one U.S. states. It is the second most densely populated county in the state, behind San Francisco County to the far north.

The county's four largest cities by population, Anaheim, Santa Ana (county seat), Irvine, and Huntington Beach, each have a population exceeding 200,000. Several of Orange County's cities are on the Pacific Ocean western coast, including Huntington Beach, Newport Beach, Laguna Beach, Dana Point, and San Clemente. The northern and central portions of the county are heavily urbanized and fairly dense, despite the prevalence of the single-family home as a dominant land use. The southern portion of the county is more suburban, with less density and limited urbanization. There are several "edge city"-style developments such as Irvine Business Center, Newport Center, and South Coast Metro.

The county is known for tourism with attractions like Disneyland, Knott's Berry Farm, and several popular beaches along its more than 40 miles (64 km) of coastline. It is also known for its political conservatism—a 2005 academic study listed three Orange County cities as among America's 25 most conservative, making it one of two counties in the United States containing more than one such city. (Maricopa County, Arizona also had three cities on the list.) Orange County is part of the "Tech Coast".

www.wikipedia.org/wiki/Orange_County,_California

Market Overview

Projects to Re-Urbanize Santa Ana



The OC Streetcar is a proposed light rail line in Orange County, California in the United States, running through the cities of Santa Ana and Garden Grove. The electric-powered streetcar will be operated by the Orange County Transportation Authority (OCTA), and will serve at least twelve stops along its 4.15-mile (6.68 km) route. With the exception of a short loop in downtown Santa Ana, the line will be double-tracked for its entire length. Most of the route follows the original path of the Pacific Electric Railway "Red Cars" that served Santa Ana in the early 20th century, before being abandoned in 1950. The streetcar is expected to open to the public by 2021. The streetcar will provide a link from Southern California's regional commuter rail and bus systems to downtown Santa Ana, one of Orange County's largest centers for employment, arts, and entertainment, as well as nearby residential neighborhoods, parks, and trails.

www.wikipedia.org/wiki/OC_Streetcar



The property, located on the north side of 3rd Street between Broadway and Main Street represents the largest developable parcel in the downtown with the greatest opportunity for development. The property is located within the Transit Zoning Code, specifically within the Downtown sub zone. This zone is applied to the historical shopping district of Santa Ana, a vital pedestrian oriented area that is defined by multi-story urban building types accommodating a mixture of retail, office, light service, and residential uses. The Transit Zoning Code is a form-based code meaning that the development standards vary based on the building type proposed. The General Plan land use designation for the property is District Center.

<http://www.ci.santa-ana.ca.us/pba/3rdandBroadwayProject/3rdandBroadwayDevelopmentProject.asp>

Surrounding Local Attractions



The Downtown's recent revitalization process has brought new restaurants, bars and unique designers, but there are also bakeries, bridal shops and clothing stores that have been a part of the makeup of this city, with owners who are long time City residents. Downtown Santa Ana maintains its sense of history and culture through a number of different landmarks and businesses.

www.ocexplore.org/dtsa/



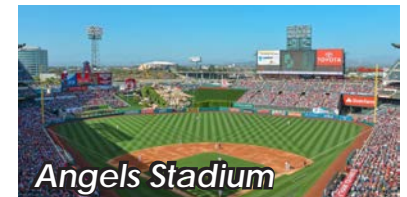
The Santa Ana Zoo at Prentice Park in Santa Ana, California is a 20-acre (8.1 ha) zoo which hosts more than 270,000 people annually. The zoo opened in 1952 and is owned and operated by the City of Santa Ana. The city has agreed to keep at least 50 monkeys at all times, and now has over a dozen species from around the world. The focus of the Santa Ana Zoo is recreation, education, and conservation.

www.wikipedia.org/wiki/Santa_Ana_Zoo



Disneyland is a beloved Southern California destination where generations of families have made their Disney dreams come true. Walt Disney's original Disneyland theme park, which first opened on July 17, 1955, is now divided into 8 extravagantly themed lands: Main Street, U.S.A., Tomorrowland, Fantasyland, Mickey's Toontown, Frontierland, Critter Country, New Orleans Square and Adventureland. It is operated year-round, 365 days each year..

www.wikipedia.org/wiki/Disneyland



Angels Stadium is a modern-style ballpark located in Anaheim, California. Since its opening in 1966, it has served as the home ballpark of the Los Angeles Angels of Major League Baseball (MLB), and was also the home stadium to the Los Angeles Rams of the National Football League (NFL) from 1980 to 1994. It is the fourth-oldest active Major League Baseball stadium, behind Fenway Park, Wrigley Field, and Dodger Stadium. It hosted the 1967, 1989, and 2010 Major League Baseball All-Star Games.

www.wikipedia.org/wiki/Angel_Stadium

Market Demographics



Population	1 Miles	3 Miles	5 Miles
2022 Population	43,890	364,907	737,099
2017 Population	44,611	364,483	736,541
2010 Population	42,416	347,155	700,939
2000 Population	44,838	357,659	701,391

Households	1 Miles	3 Miles	5 Miles
2022 Households	10,916	89,316	198,353
2017 Households	10,813	87,568	194,546
2010 Households	10,235	82,769	183,650
2000 Households	10,275	81,779	180,135

Households by Income	1 Miles	3 Miles	5 Miles
\$150,000 or More	9.17%	7.56%	10.57%
\$100,000 - \$149,000	12.07%	13.94%	15.93%
\$75,000 - \$99,999	10.07%	12.98%	14.11%
\$50,000 - \$74,999	16.63%	18.74%	18.37%
\$35,000 - \$49,999	14.24%	15.37%	13.87%
Under \$35,000	37.84%	31.40%	27.15%
Average Household Income	\$73,907	\$73,310	\$83,929
Median Household Income	\$47,492	\$53,671	\$61,275

Population

In 2017, the population in your selected geography is 44,611. The population has changed by -0.51% since 2000. It is estimated that the population in your area will be 43,890.00 five years from now, which represents a change of -1.62% from the current year. The current population is 51.96% male and 48.04% female. The median age of the population in your area is 29.76, compare this to the US average which is 37.83. The population density in your area is 14,198.97 people per square mile.

Households

There are currently 10,813 households in your selected geography. The number of households has changed by 5.24% since 2000. It is estimated that the number of households in your area will be 10,916 five years from now, which represents a change of 0.95% from the current year. The average household size in your area is 3.78 persons.

Household Income

In 2017, the median household income for your selected geography is \$47,492, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 31.94% since 2000. It is estimated that the median household income in your area will be \$53,012 five years from now, which represents a change of 11.62% from the current year. The current year per capita income in your area is \$19,182, compare this to the US average, which is \$30,982. The current year average household income in your area is \$73,907, compare this to the US average which is \$81,217.

Race and Ethnicity

The current year racial makeup of your selected area is as follows: 54.77% White, 1.92% Black, 0.18% Native American and 4.34% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race. People of Hispanic origin make up 81.42% of the current year population in your selected area. Compare this to the US average of 17.88%.

Housing

The median housing value in your area was \$501,689 in 2017, compare this to the US average of \$193,953. In 2000, there were 3,634 owner occupied housing units in your area and there were 6,642 renter occupied housing units in your area. The median rent at the time was \$638.

Employment

In 2017, there are 26,966 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 35.70% of employees are employed in white-collar occupations in this geography, and 64.59% are employed in blue-collar occupations. In 2017, unemployment in this area is 6.46%. In 2000, the average time traveled to work was 29.00 minutes.

An aerial photograph of a city street intersection, showing buildings, cars, and trees. The image is overlaid with a semi-transparent dark blue filter. The text 'Marcus & Millichap' is centered in the upper half of the image, with a white horizontal line underneath it.

Marcus & Millichap

OFFERING MEMORANDUM