



LA CLINICA

NET LEASED MEDICAL OFFICE CONDOMINIUM

PITTSBURG, CA



CAPITAL PACIFIC

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LA CLINICA

2240 GLADSTONE DR, PITTSBURG, CA 94565 

\$1,077,000

PRICE

7.00%

CAP

NOI: **\$75,364**

PRICE/SF: **\$305.10**

LEASE TYPE: **NNN**

OCCUPANCY: **100%**

LEASABLE AREA: **3,530 SF**

**TENANT HAS OPERATED AT THIS LOCATION
SINCE 1999 AND RECENTLY EXTENDED THEIR
LEASE THROUGH 2025**

Investment Highlights



THE OFFERING

The offering is a NNN leased condominium located within the Glendale Medical Park in Pittsburg, CA. The tenant has operated at this location since 1999, and recently extended their lease through 2025, showing commitment to this site. This is the tenant's first health center in Contra Costa County. There are over 30 locations throughout Alameda, Contra Costa, and Solano Counties.

The subject property is a 3,530 SF condominium occupying a majority of the space within the building. The tenant is located within a larger medical park providing synergy with other local practices. There are three exam rooms, eight offices, and two conference rooms occupied by La Clinica. The lease offers attractive annual rental increases based on CPI, which are no less than 3% and no greater than 5%, each year to serve as a hedge against inflation.

HIGHLIGHTS

- **Tenant recently extended lease for five years, showing commitment to the location**
- **Attractive annual rent increases from 3-5% per year**
- **Condominium includes 3,530 SF of contiguous space**
- **Ample parking and synergy with other nearby medical tenants**
- **Located in downtown Pittsburg, near a Bart station and major retailers**

Income & Expense

		CURRENT
Price:		\$1,077,000
Capitalization Rate:		7.00%
Price Per Square Foot:		\$305.10
Total Leased (SF):	100.00%	3,530
INCOME		P/SF
Scheduled Rent	\$25.64	\$90,516.00
Recovery	\$3.76	\$13,284.56
EFFECTIVE GROSS INCOME		\$103,801
EXPENSE		P/SF
Property Taxes (1.1% of PP)	(\$3.36)	(\$11,847.00)
Repairs and Maintenance	(\$0.84)	(\$2,981.79)
Operating Expenses	(\$3.85)	(\$13,607.44)
TOTAL OPERATING EXPENSES		(\$8.06) (\$28,436)
NET OPERATING INCOME		\$75,364



Rent Roll

TENANT OVERVIEW			LEASE TERMS		RENT SUMMARY		
TENANT	SQ. FT.	PERCENT OF GLA	TERM		MONTHLY RENT	ANNUAL RENT	RENT/FT
La Clinica	3,530	100.00%	01/01/21	12/31/25	\$7,543.00	\$90,516.00	\$25.64
<i>Annual rent increases based on CPI</i>							
OCCUPIED	3,530	100.00%			\$7,543.00	\$90,516.00	\$25.64
VACANT	0	0.00%					
CURRENT TOTALS	3,530	100.00%					

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Lease Abstract



PREMISES & TERM

TENANT GUARANTOR	La Clinica La Raza, Inc. Jane Garcia Personal Guarantee
LEASE TYPE	NNN
LEASE TERM	5 Years
OPTIONS TO EXTEND	Month-to-month tenancy after expiration

RENT ROLL

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
01/01/21-12/31/25	\$7,543	\$90,516

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

EXPENSES

TENANT'S OBLIGATIONS

Tenant responsible for maintaining premises including heat, air conditioning, electrical, plumbing, and water systems, if any, and keep glass, windows and doors in operable and safe condition. Tenant maintains HVAC service agreement.

LANDLORD'S OBLIGATIONS

Landlord shall maintain roof, foundation, exterior walls, and common area.

TAXES

Tenant pays pro rata share of property taxes.

INSURANCE

Tenant pays pro-rata share of insurance.

UTILITIES

Tenant directly contracts third party providers and pays all utilities.

CAM

Tenant pays pro rata share of operating expenses, paying an estimated amount of \$1,130 with annual increases based on CPI.

LEASE PROVISIONS

ASSIGNMENT/SUBLETTING

Requires written consent of landlord, not to be unreasonably withheld.

RENT INCREASES

Rent shall increase annually. Annual increase % of CPI for the San Francisco-Oakland-San Jose Area, the Annual increase shall not be less than 3% nor more than 5%.

RIGHT OF FIRST REFUSAL

None.

RIGHT OF FIRST OFFER

None.

EARLY TERMINATION

None.

Site Plan

sf
3,530
RENTABLE SF



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Medical Center



**SHARON DE EDWARDS
MD FACOG NCMP, INC.**

**PITTSBURG DENTAL
SPECIALISTS**

**SRPINGHILL
MEDICAL**

LABCORP

SKY DENTAL

**ATLANTIC DENTAL
CARE**

**LA CLINICA
(NOT A PART)**

**QUEST
DIAGNOSTICS**

COMMON AREA

**MISSION HILLS
EYE CENTER**

R. CHAHAL, M.D.

**PACITA ADUCAYEN, M.D.
INTERNAL MEDICINE**

**GALICANO C. ANDAL M.D.
INTERNAL MEDICINE**

SUITE 7 SUITE 8
ENTRANCE
SUITE 1
COMMON AREA
SUITE 2
SUITE 3
SUITE 4
SUITE 5
SUITE 6

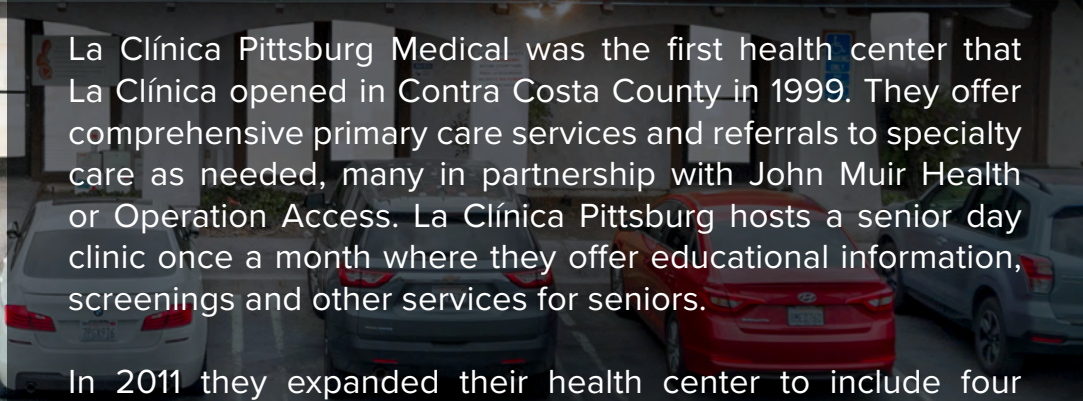
- SUITE 1 - CALIFORNIA SPECIAL INVESTIGATIVE & PROTECTIVE SERVICES**
- SUITE 2 - DR. GRETCHEN GRAVES**
- SUITE 3 - CALIFORNIA EYE CLINIC**
- SUITE 4 - DR. RESHAM CHAHAL**
- SUITE 5 - DR. MARY K CARDOZA, FACS**
- SUITE 6 - KA-SING FUNG, D.S.S.**
- SUITE 7 - DR. JUAN SEQUEIRA**
- SUITE 8 - DR. BARSAM GHARAGOZLOU**

Tenant Overview



ABOUT LA CLINICA

La Clínica was founded in 1973 to address health barriers and create better lives for the under-served. Today, La Clínica is the first choice for providing multi-lingual, accessible full-scope health care services in the East Bay, no matter a patient's income level or insurance status. La Clínica operates 32 locations across Alameda, Contra Costa, and Solano County. La Clínica's revenues in 2018 were over \$100 Million. The clinics saw 90,725 patients and 349,174 total visits in 2018.



La Clínica Pittsburg Medical was the first health center that La Clínica opened in Contra Costa County in 1999. They offer comprehensive primary care services and referrals to specialty care as needed, many in partnership with John Muir Health or Operation Access. La Clínica Pittsburg hosts a senior day clinic once a month where they offer educational information, screenings and other services for seniors.

In 2011 they expanded their health center to include four additional exam rooms which has allowed them to reach more families in Contra Costa County. They are conveniently located near Los Medanos College in a beautiful and quiet community.

2018 REVENUE

\$100M +

LOCATIONS

32

Retail Aerial



MARTIN LUTHER KING, JR. JUNIOR HIGH SCHOOL

FERGUSON

Hampton Inn
Jack in the box

Starbucks

Public Storage
FARMERS INSURANCE

6

MODERN CUSTOM CABINETS

BIG TIRES
SONIC

PRAXAIR

148,000 VPD

WinCo FOODS
Island Pacific
THE HOME DEPOT
RAMOS FURNITURE
dd's DISCOUNTS

Wendy's

TACO BELL

GameStop
FRESENIUS KIDNEY CARE
SUBWAY
Tea
LOYA
metro
CASH

La Clínica
a california health center

PITTSBURG

RotaCare Bay Area
FREE MEDICAL CLINICS

Walmart

POPEYES
LOUISIANA KITCHEN

JUST CRACK'N
SEAFOOD TO-GO

Sky Dental

BASS MEDICAL GROUP

Sunshine
SMOOTHIES & COFFEE

DIOKNO COURT

CONTRA COSTA HEALTH SERVICES

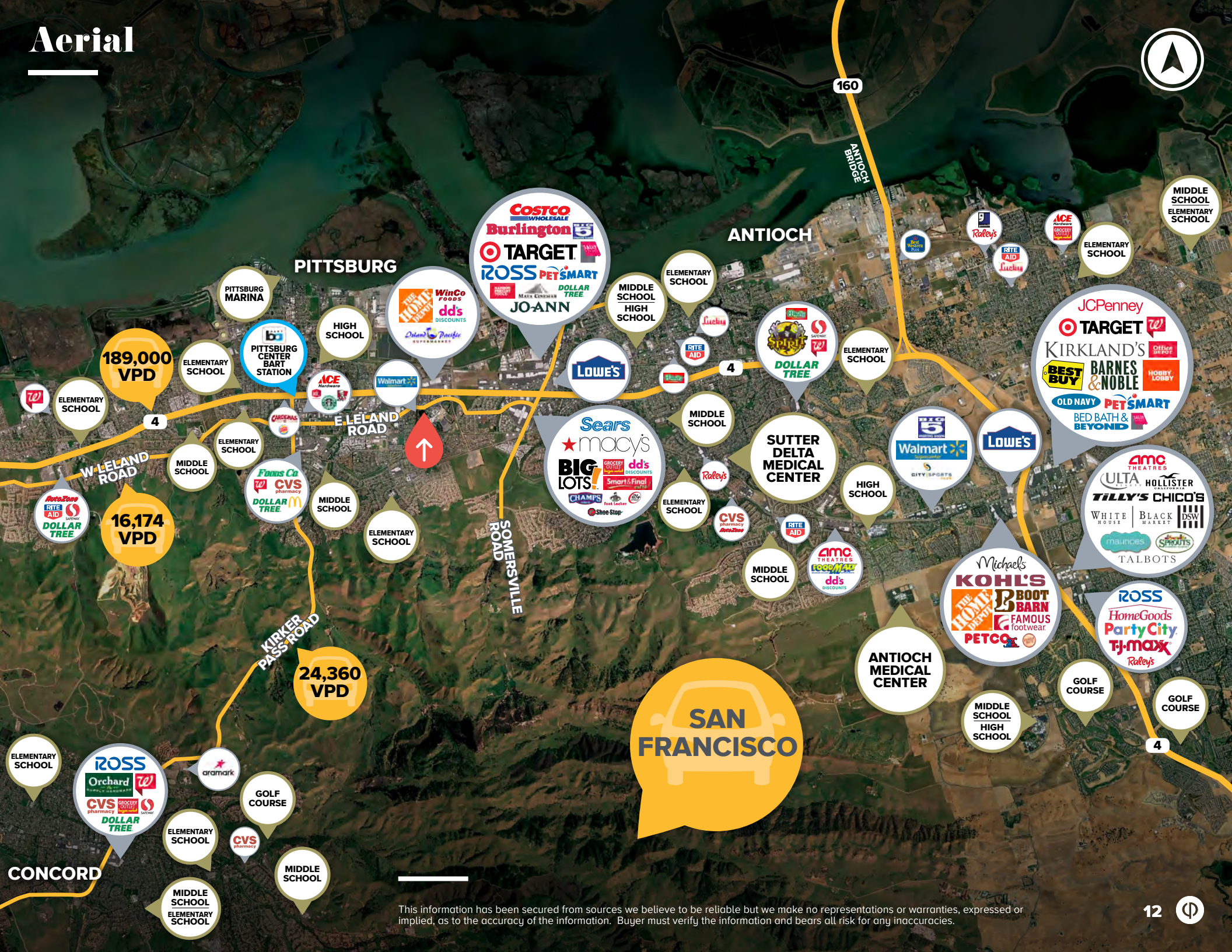
Sutter Health

Springhill Medical Group
A SUTTER HEALTHCARE MEDICAL GROUP

GLADSTONE DRIVE

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Aerial



189,000 VPD

16,174 VPD

24,360 VPD

SAN FRANCISCO

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Demographics



POPULATION

	1-MILE	3-MILES	5-MILES
2010	20,492	67,546	132,403
2019	22,503	73,944	145,870
2024	23,602	77,428	152,796



2019 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$68,725	\$80,188	\$86,288
Median	\$52,841	\$62,647	\$63,308

TOP EMPLOYERS IN CONTRA COSTA COUNTY

EMPLOYER

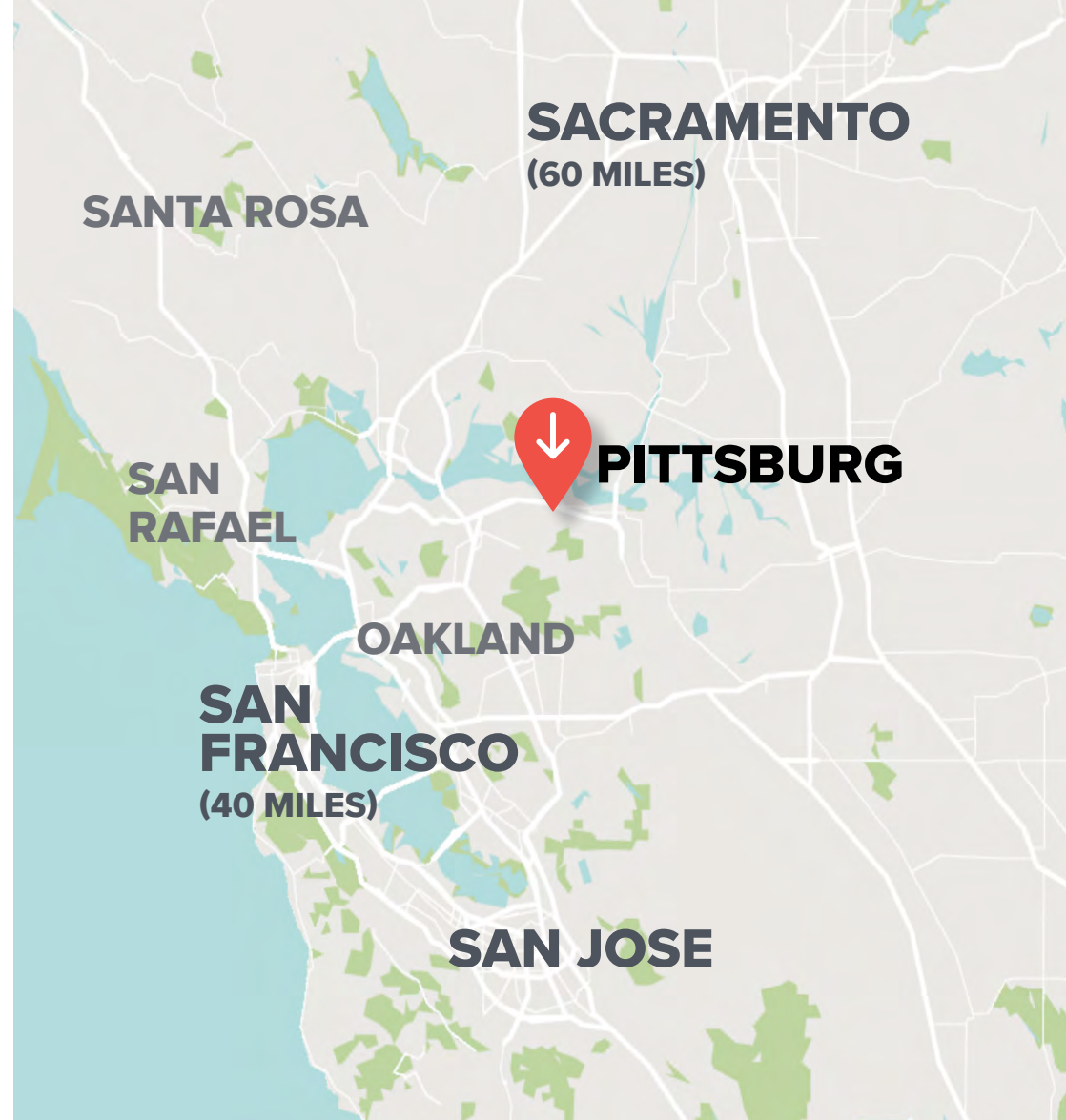
Kaiser Permanente

John Muir Medical Center

San Ramon Regional Medical Center

Chevron Oil

Sutter Delta Medical Center



**THE AVERAGE HOUSEHOLD
INCOME WITHIN A 5-MILE RADIUS
IS OVER \$86K**

PITTSBURG, CALIFORNIA



SAN FRANCISCO

PITTSBURG is positioned in Northern California's beautiful East Bay Area. Its enviable location places it within a close distance of several big-market cities including San Francisco, Oakland, San Jose, and Sacramento, via a vast transportation network of roadways, rail lines and airports.

The long-awaited East Contra Costa County eBART project was completed in May of 2018. The new 10-mile BART extension accommodates riders traveling between the existing Pittsburg-Bay Point BART Station and the City of Antioch with two new stations set up along the California State Route 4 median linking Pittsburg and Bay Point to Antioch. This new service will provide congestion relief on State Route 4, as BART ridership is expected to jump to 10,000 riders a day by 2030.

ABOUT THE COUNTY

CONTRA COSTA COUNTY is located on the eastern edge of the San Francisco Bay and home to more than one million residents.

Comprised of 19 cities and numerous unincorporated communities, it is the ninth most populous county in the state. The population of Contra Costa County is projected to grow at an annual average rate of 1.1 percent from 2017 to 2022. Employment growth is projected as well.

1,150,215



**CONTRA COSTA
COUNTY POPULATION
(ESTIMATED)**

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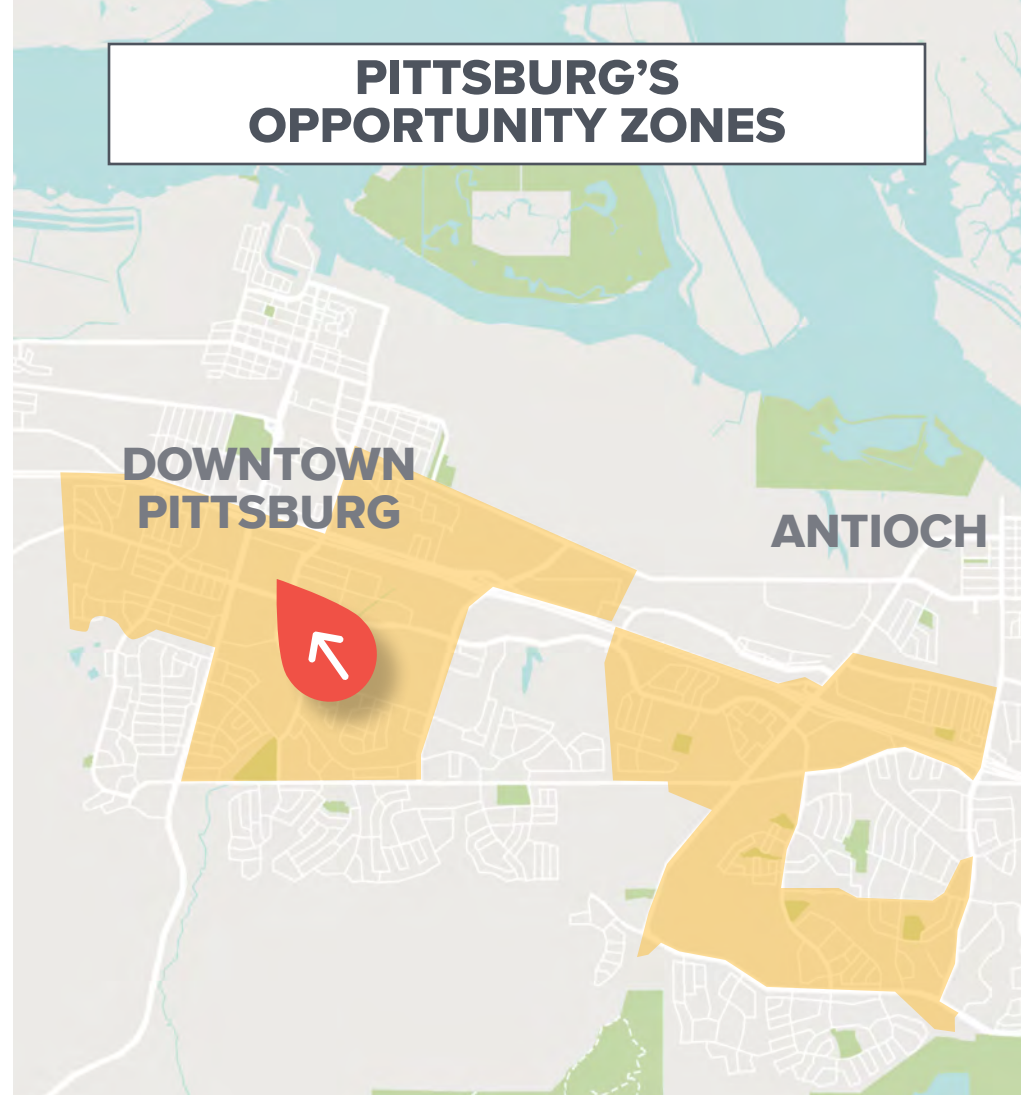
Opportunity Zones

TAX BENEFITS OF OPPORTUNITY ZONES

1. Temporary deferral of capital gains that are reinvested in qualified OZ property: Taxpayers can defer capital gains tax due upon sale or disposition of a (presumably non-OZ) asset if the capital gain portion of that asset is reinvested within 180 days in a QOF.⁹ Under current law, the deferral of gain is available on qualified investments up until the earlier of: (a) the date on which the investment in the QOF is sold or exchanged, or (b) December 31, 2026.¹⁰
2. Step-up in basis for investments held in QOFs: If the investment in the QOF is held by the taxpayer for at least five years, the basis on the original gain is increased by 10% of the original gain. If the OZ asset or investment is held by the taxpayer for at least seven years, the basis on the original gain is increased by an additional 5% of the original gain.
3. Exclusion of capital gains tax on qualified OZ investment returns held for at least 10 years: The basis of investments maintained (a) for at least 10 years and (b) until at least December 31, 2026, will be eligible to be marked up to the fair market value of such investment on the date the investment is sold. Effectively, this amounts to an exclusion of capital gains tax on any gains earned from the investment in the QOF (over 10 years) when the investment is sold or disposed.

Source: Tax incentives for Opportunity Zones: in Brief; Updated June 28, 2019
Congressional Research Service Report
Prepared for Members and Committees of Congress

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