

2999

REGENT STREET
BERKELEY, CA



**Newmark
Knight Frank**

CONFIDENTIAL OFFERING MEMORANDUM

EXECUTIVE SUMMARY

As the exclusive advisor, Newmark Knight Frank is pleased to present the opportunity to purchase the Huntmont Medical Building (“Huntmont”) located at 2999 Regent Street, Berkeley California. The Building is located across the street from Alta Bates Summit Hospital Center within a small area of Berkeley zoned exclusively for medical use. The Huntmont enjoys a full block of frontage between Ashby Avenue and Webster Street and offers convenient access to the Ashby BART station and UC Berkeley.

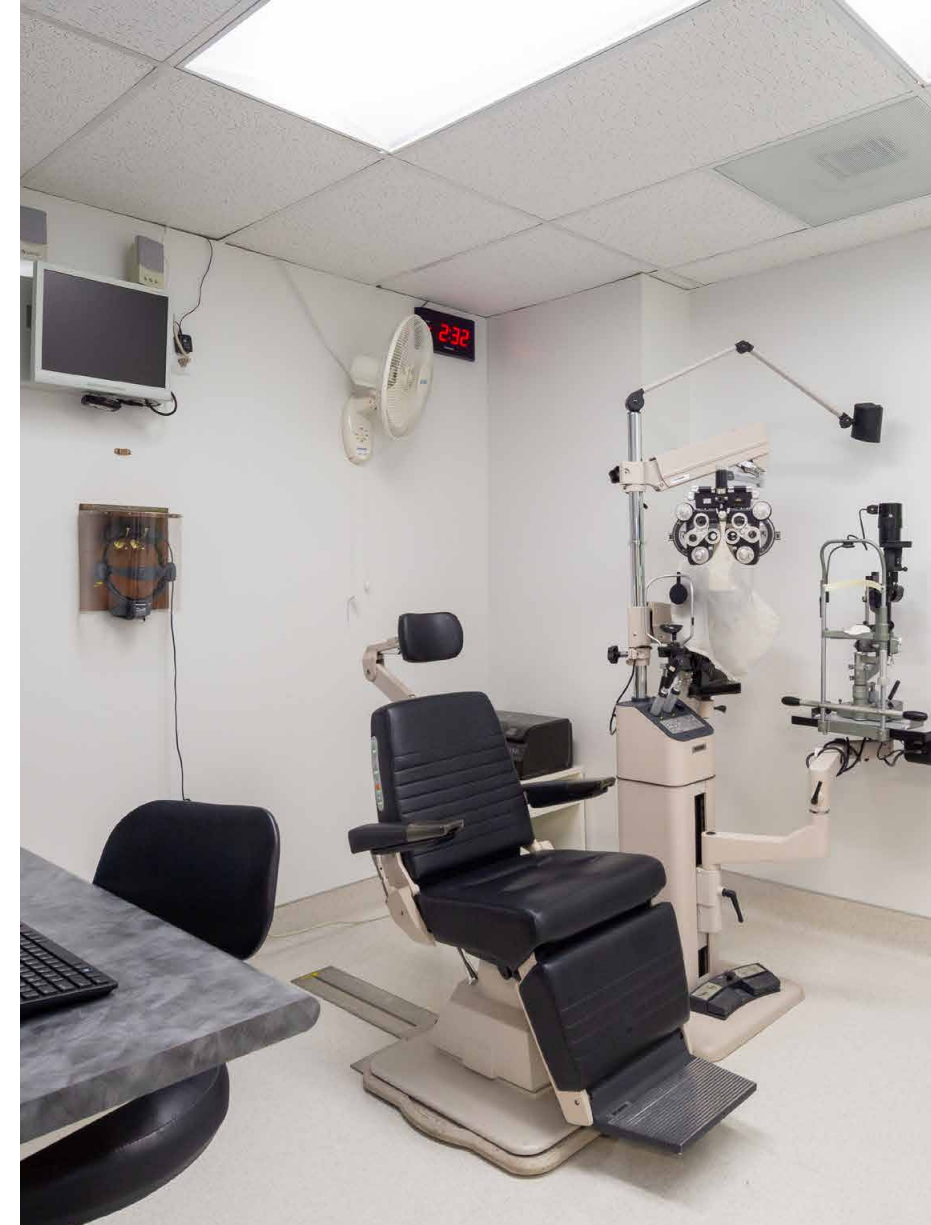
The seven story multi-tenant medical office building is approximately 51,341 square feet and has been seismically retrofitted. It is currently 97% leased to 32 tenants with over \$1 million in tenant improvements carried out in the last three years.

The Huntmont serves as the home to some of the premier medical practices in the Berkeley community with well-established referral patterns within the building. These referral patterns have historically provided the Huntmont

with outstanding tenant retention, long-term occupancies and waiting lists for space. The Building features a 197-stall parking garage, as well as, multiple long-term cell tower leases providing substantial supplemental rental income.

The Medical Use Zone in which the Huntmont Building is situated provides the building with a uniquely beneficial competitive advantage as there is no additional space available for expansion or the construction of additional medical office buildings. The Huntmont is the only building large enough to provide new practices entry to the referral patterns of the most established practices in the community. Vacant space has almost always been filled through referrals from current tenants.

Rent collections have been essentially unaffected by COVID-19, and a new investor has the potential to significantly add value by upgrading common areas and pushing rental rates.





\$23,550,000
Price


\$1,239,294
Net Operating Income

5.26%
CAP Rate


51,341 SF
Size


1.21 AC
Parcel


97%
Occupied


32
Tenants

INVESTMENT HIGHLIGHTS



Highly Stable

Historically very stable and reliable cash flow. The average tenant has leased building space for 13.5 years. The Huntmont occupancy rate has been more than 90% for the past 40 years with rents at the top of the market. Rate increases have grown an average of 3% a year.



Pandemic Immunity

Cash flow has been essentially unaffected by COVID-19



Significant Barriers to Entry

There are no medical buildings of similar magnitude in the area. Zoning restrictions and lack of sites pose significant barriers to entry and are unlikely to change.



Proven Performance

Proven asset class: Medical Office Buildings are economically stable even in significant downturns as exemplified by the COVID-19 pandemic.



Location, Location, Location

Excellent location, adjacent to Alta Bates Summit Medical Center, with convenient access to public transportation (BART), and on-site covered parking available.

Berkeley's historically strong economic growth driven by presence of UC Berkeley and a highly educated work force. Over 241,984 residents within 3 miles of the building.



Extra Cash Flow

Strong ancillary income derived from cellular leases and parking income.

Contact Exclusive Agents

INVESTMENT SALES

MIKE ZYLSTRA

Senior Managing Director
925.974.0106 / mzylstra@ngkf.com
CA RE License #01310041

FORREST GHERLONE

Senior Managing Director
925.974.0237 / fgherlone@ngkf.com
CA RE License #01376723

ANALYST

MAX GUNARI

Capital Markets Research / Analyst
925.974.0116 / max.gunari@ngkf.com
CA RE License #00466002

DEBT/EQUITY

MICHAEL GRAUSZ

Senior Managing Director
415.399.8086 / michael.grausz@ngkf.com
CA RE License #01116237