



SANTA ANA, CA

METROPOLITAN VETERINARY HOSPITAL



INVESTMENT ADVISORS

Mitchell Neff

Team Manager
Newport Beach Office
(949) 419-3296 Direct
(949) 419-3210 Fax
Mitchell.Neff@marcusmillichap.com
CA License: 01938395

Joseph Lising

First Vice President Investments
Newport Beach Office
(949) 419-3227 Direct
(949) 419-3210 Fax
Joseph.Lising@marcusmillichap.com
CA License: 01248258

Richard Salinas

Team Marketing, Support
Newport Beach Office
(949) 419-3236 Direct
(949) 419-3210 Fax
Richard.Salinas@marcusmillichap.com

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Executive Summary

List Price	\$1,150,000
CAP Rate	5.42%
Price Per Square Foot GLA	\$453.83
Price Per Square Foot Land	\$120.23

Exceptional Investment Opportunity in Heart of Orange County, CA

- Located on Grand Ave, just North of 17th Street - both are major arterial corridors through Santa Ana and Neighboring Cities.
- Submarket has several new developments, most notable is the new Target found just South of the subject property.
- Neighboring Retailers include: Walgreens, Autozone, Target, Starbucks, Taco Bell, and CVS

Long-term Operating History, with New NNN Lease In-place

- Owner was the former operator of Metropolitan Veterinary Clinic, which was sold to current operator under a 5-year lease.
- Passive NNN Investment - Zero Landlord Responsibilities.
- Annual CPI Increases Offer Rental Upside consistent to the Orange County and Los Angeles County markets.

Strong Real Estate Fundamentals

- High Traffic Location - over 26,000 vehicles pass by property daily, and over 61,000 vehicles pass through the 17th Street intersection.
- Extremely dense, infill location with a 3-mi population of 308,388.
- Affluent submarket with the annual household average income exceeding \$81,000



Aerial View



**Metropolitan
Veterinary Hospital**
(Subject Property)

Under
Construction

**AMERICAN
TIRE DEPOT**



Walgreens

KFC

**O'Reilly
AUTO PARTS**
Goodwill
CVS



For
Lease



Grand Avenue | 26,000+ VPD



Tacos El
Gavilan



17th Street | 35,000+ VPD

POPEYES

Investment Summary



Property Details

Address	1729 N Grand Ave Santa Ana, CA 92705
APN	396-211-54
GLA	2,534 SF
Lot Size	9,565 SF (0.22 AC)
Year Built	1958
Zoning	C1- Commercial
Parking Stalls	9 Stalls
Parking Ratio	3.55 per 1,000 SF

Lease Summary

Lease Type	NNN
Tenant	Daisy Animal Health, Inc
Tenant Type	Veterinary Hospital
Roof & Structure	Tenant Responsibility
Guarantee	Personal
Lease Commencement	July 15, 2016
Lease Expiration	July 31, 2021
Rental Increases	Annual CPI
Options to Extend	(2) Five-Year Options
Options to Purchase	Yes

Offering Price

List Price	\$1,150,000
CAP Rate	5.43%
Net Operating Income	\$62,400
Price Per Square Foot GLA	\$453.83
Price Per Square Foot Land	\$120.23

Annualized Operating Data

Years	Dates	Annual Rent	CAP Rate
1-2	7/16/16 - 7/31/18	\$60,000	5.22%
3	8/1/18 - 7/31/19	\$62,400	5.43%
4	8/1/19 - 7/31/20	CPI Increase	TBD
5	8/1/20 - 7/31/21	CPI Increase	TBD

Proposed Financing

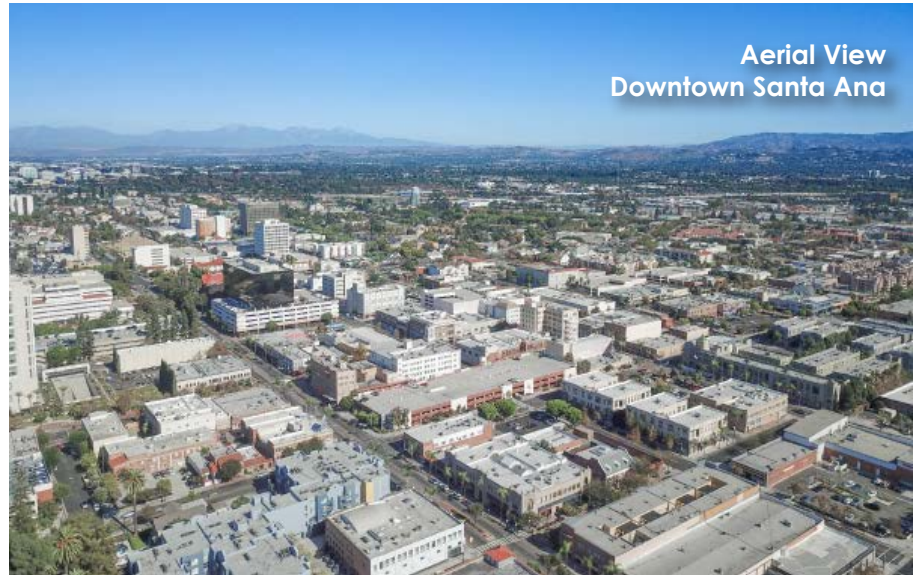
Program	5-Year Fixed Rate
Interest Rate	5.00%
Amortization	30-Year
Loan Amount	\$650,000
Loan-to-Value (LTV)	57%
Monthly Payment	\$3,489.34
Annual Payment	\$41,872.09
Net Cashflow	\$20,527.91
Cash-on-Cash	4.11%

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.



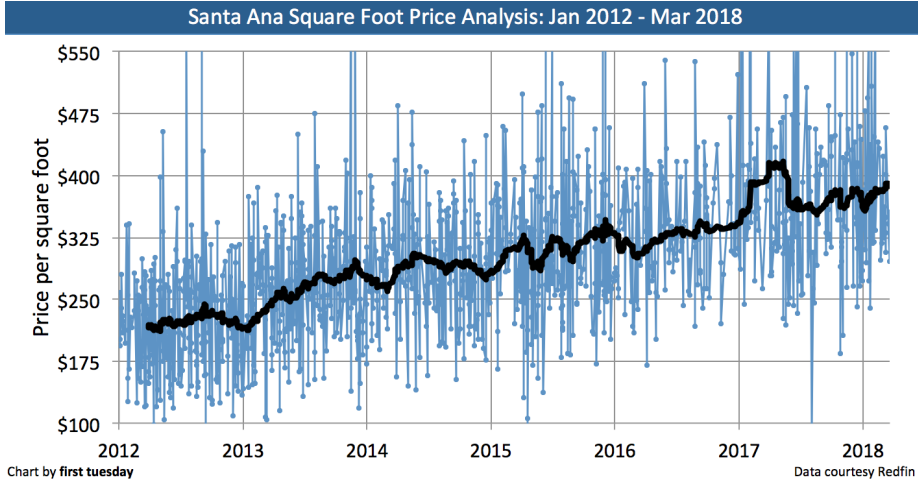
Orange County, CA

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



OC Streetcar

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



3rd & Broadway Development

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



Downtown Santa Ana

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/



Santa Ana Zoo

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.

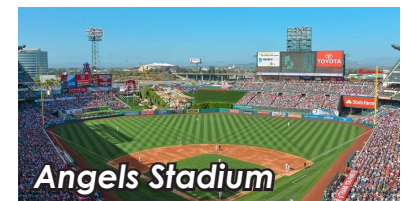
www.wikipedia.org/wiki/Santa_Ana_Zoo



Disneyland

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

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

Demographic Summary

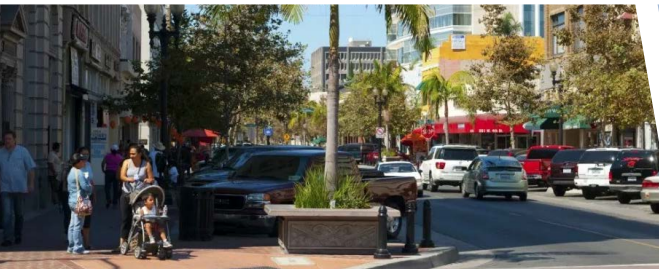
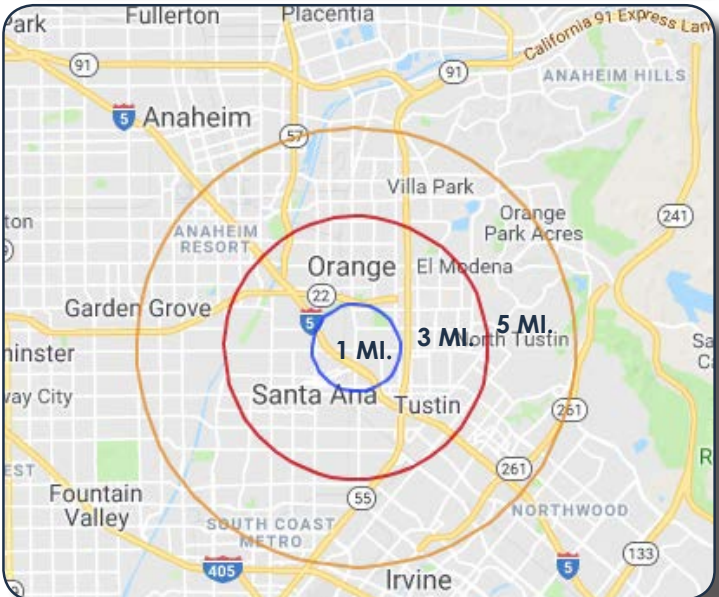
Population	1 Miles	3 Miles	5 Miles
2022 Population	36,136	308,471	685,763
2017 Population	36,298	308,388	680,114
2010 Population	34,146	293,958	645,717
2000 Population	33,711	299,702	634,320

Households	1 Miles	3 Miles	5 Miles
2022 Households	10,964	82,003	190,462
2017 Households	10,779	80,672	184,939
2010 Households	10,028	76,396	173,967
2000 Households	9,828	76,353	165,877

Households by Income	1 Miles	3 Miles	5 Miles
\$150,000 or More	8.76%	10.13%	13.70%
\$100,000 - \$149,000	13.14%	14.88%	16.61%
\$75,000 - \$99,999	13.75%	12.91%	14.09%
\$50,000 - \$74,999	18.22%	18.10%	17.62%
\$35,000 - \$49,999	15.39%	14.86%	12.99%
Under \$35,000	30.74%	29.13%	24.99%
Average Household Income	\$76,071	\$81,260	\$93,798
Median Household Income	\$54,943	\$57,499	\$66,312
Per Capita Income	\$22,936	\$21,922	\$25,885



10,800 ±
Households within a Three-mile Radius



Market Demographics

Geography - 1 Mile Radius

Population

In 2018, the population in your selected geography is 36,298. The population has changed by 7.67% since 2000. It is estimated that the population in your area will be 36,136.00 five years from now, which represents a change of -0.45% from the current year. The current population is 49.68% male and 50.32% female. The median age of the population in your area is 31.70, compare this to the US average which is 37.83. The population density in your area is 11,553.02 people per square mile.

Households

There are currently 10,779 households in your selected geography. The number of households has changed by 9.68% since 2000. It is estimated that the number of households in your area will be 10,964 five years from now, which represents a change of 1.72% from the current year. The average household size in your area is 3.30 persons.

Household Income

In 2018, the median household income for your selected geography is \$54,943, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 28.99% since 2000. It is estimated that the median household income in your area will be \$62,106 five years from now, which represents a change of 13.04% from the current year. The current year per capita income in your area is \$22,936, compare this to the US average, which is \$30,982. The current year average household income in your area is \$76,071, compare this to the US average which is \$81,217.



Race and Ethnicity

In 2018, the median household income for your selected geography is \$54,943, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 28.99% since 2000. It is estimated that the median household income in your area will be \$62,106 five years from now, which represents a change of 13.04% from the current year. The current year per capita income in your area is \$22,936, compare this to the US average, which is \$30,982. The current year average household income in your area is \$76,071, compare this to the US average which is \$81,217.

Employment

In 2018, there are 18,369 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 47.65% of employees are employed in white-collar occupations in this geography, and 52.47% are employed in blue-collar occupations. In 2018, unemployment in this area is 4.95%. In 2000, the average time traveled to work was 26.00 minutes.





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