

COLE VOCATIONAL SERVICES (ADULT DAY CARE)

REGIONAL MULTI-SITE OPERATOR | BACKED BY A NATIONAL NETWORK

Marcus & Millichap
DUONG INVESTMENT GROUP



4234 ARTESIA BOULEVARD, TORRANCE, CA 90504

OFFERING MEMORANDUM

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REGIONAL MULTI-SITE OPERATOR | BACKED BY A NATIONAL NETWORK

Exclusively Listed By

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INVESTMENT OVERVIEW

Investment Highlights



Rare South Bay Location with Excellent Demographics: Population Counts are Nearly 600,000 and Average Household Income is Nearly \$130,000 Within 5 Miles



Surrounded by Major Demand Drivers Including the 900,000 SF South Bay Galleria and Alondra Park & Golf Course, a ±53-Acre Recreational Area



Long-Term Tenancy: Tenant has Been Operating at this Location for 15+ Years | Recent 5-Year Extension Proves Tenant's Commitment to the Site

Experienced Operator with Favorable Lease Terms

- ▶ Established Multi-Site Operator Across California with Numerous Adult Day, Vocational, and Community-Integration Programs
- ▶ Backed by a National Healthcare Network (Sevita/The MENTOR Network) that Provides Financial Stability, Compliance Infrastructure, and Operational Scale Beyond Typical Local Providers
- ▶ Attractive Passive Investment: True NNN Lease Structure With Minimal Landlord Responsibilities
- ▶ 4% Annual Increases Provide for an Excellent Hedge Against Inflation

Strong Real Estate Fundamentals

- ▶ Located Less Than One Block from the 405 Freeway
- ▶ Artesia Boulevard Connects to Pacific Coast Highway to the West and Becomes the 91 Freeway to the East, Intersecting All Nearby Major Freeways (405, 110, 710, and 605 Freeways)
- ▶ Prominent Rooftop Signage Along a High Traffic Thoroughfare with Traffic Counts Exceeding ±35,000 Cars Per Day
- ▶ Dense, Infill Area in Close Proximity to Several Major Freeways, the Pacific Coast/Coastal Cities, Downtown Los Angeles, and Orange county



INVESTMENT OVERVIEW

Aerial Photo



Demographics - 5-Mile Radius
Population: ±596,954
Households: ±221,331
Avg. HH Income: \$127,959

Alondra Park & Golf Course
±53 Acre Recreational Area, Featuring Sports Fields, Lake, and Aquatic Center

El Camino College
±30,000 Enrolled



SUBJECT PROPERTY

Interstate 405 Freeway
±256,000 Cars Per Day

South Bay Galleria
±900,000 SF | 140+ Retailers
Anchors Include:
★ **macys** **KOHL'S** **amc**

Starbucks
Walgreens



TARGET



LIVING SPACES



ULTA

NORDSTROM rack



SPROUTS

TANEREA



HARBOR FREIGHT

**QUALITY TOOLS
LOWEST PRICES**



BIG 5

DSW

AutoZone

Sizzler



Artesia Boulevard
±35,000 Cars Per Day

**Redondo Beach
Transit Center**



SoCalGas



Ralphs

TJ-maxx



CARMAX

INVESTMENT OVERVIEW

Tenant Spotlight

Cole Vocational Services (The MENTOR Network/Sevita)

Cole Vocational Services operates within the growing adult day care and community-integration sector, a segment of healthcare that provides daily support, supervision, and structured programming for adults with developmental disabilities.



This use has become increasingly important as states and families prioritize community-based care over institutional settings.

Sevita (formerly known as The MENTOR Network and the parent company of Cole Vocational Services), is one of the nation's largest providers of community-based health and human services for individuals with intellectual and developmental disabilities, behavioral health needs, and other complex care requirements.

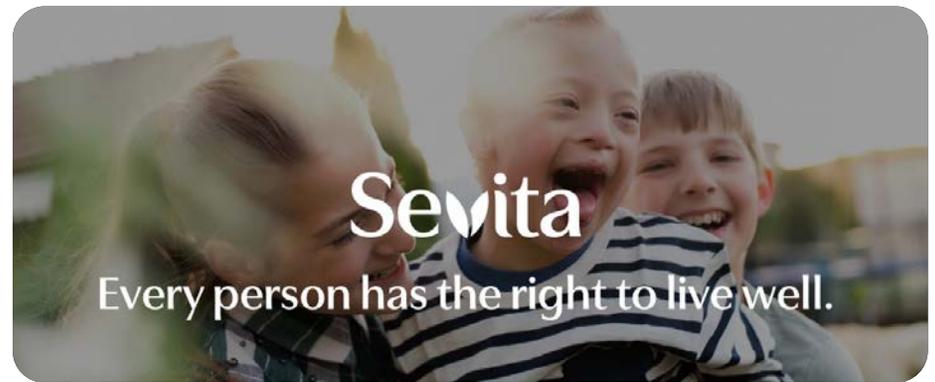
Founded in 1980, the organization operates in dozens of states through a network of specialized subsidiaries, offering residential services, day programs, vocational support, and home- and community-based care. Sevita's scale, clinical infrastructure, and long track record of delivering essential services provide a strong operational backbone for its affiliated providers, including Cole Vocational Services, and contribute to the overall financial and regulatory stability of the tenant.

Website (Parent Company)

www.sevitahealth.com

Cole Vocational Services - Tenant-Specific Strengths

- ▶ **Established multi-site operator across California**, with numerous adult day, vocational, and community-integration programs
- ▶ **Backed by a national healthcare network (Sevita/The MENTOR Network)** that provides financial stability, compliance infrastructure, and operational scale beyond typical local providers.
- ▶ **Deep integration with California's regional center system**, serving a statewide population with consistent HCBS and funding.
- ▶ **Long-term, mission-critical occupancy** driven by specialized build-out, established clientele, and program licensing tied to the specific location.
- ▶ **Proven track record in community-based care**, with established relationships, brand recognition, and a service model built around daily engagement with participants and caregivers.

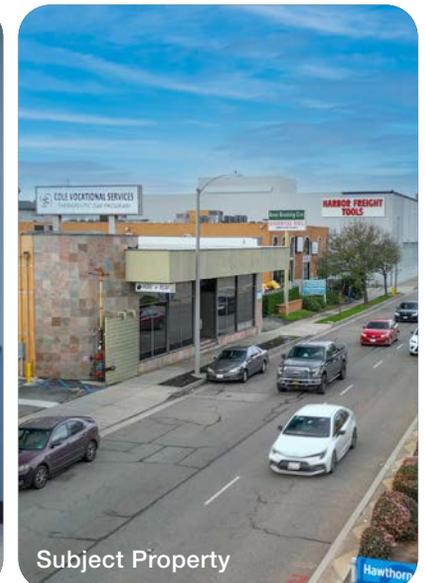


Adult Day Care - Key Strengths of the Use

- ▶ **Demographic-Driven Growth:** Demand is expanding as the aging population increases and states shift more funding into Home and Community-Based Services (HCBS).
- ▶ **Non-Discretionary, Needs-Based Service:** Revenue is tied to essential care, making it more recession-resistant than traditional retail.
- ▶ **Highly Location-Sticky Model:** Licensing, approvals, and established client bases make operators strongly anchored to their existing sites.
- ▶ **Significant Tenant Improvements:** Accessibility upgrades, program rooms, restrooms, and life-safety work create meaningful sunk cost.
- ▶ **Community-Integration:** Participants rely on proximity and consistent daily access, reinforcing the operator's reliance on staying in place long-term.



Stock Photo



Subject Property

FINANCIAL ANALYSIS

Offering Summary

Property Name	Cole Vocational Services (Adult Day Care)
Property Address	4234 Artesia Boulevard Torrance, CA 90504
Assessor's Parcel Number	4085-015-049
Year Built	1970
Gross Leasable Area (GLA)	±6,700 Square Feet
Lot Size	±0.33 Acres (±14,162 Square Feet)

Pricing

Price	\$3,369,000
Cap Rate	5.25%
Price/SF	\$502.84

Annualized Operating Data

Gross Potential Rent	\$176,880
Less Expenses	NNN
Net Operating Income	\$176,880

Lease Information

Lease Commencement Date	Approx. August 1, 2010
Lease Expiration Date	July 31, 2030
Tenancy	±15 Years
Lease Term Remaining	±5 Years
Increases	4% Annual
Options	One, Five-Year @ FMV Then CPI Annual Increases (5%-9%)
Lease Type	Absolute NNN*
Lease Type Details	Landlord is responsible for foundation and retaining walls. Tenant is responsible for roof, HVAC, and all property maintenance.

*Tenant has a cap to property tax reassessment due to a sale. Please see below and contact Agent for more details.

First Sale: For the first reassessment due to a change in ownership during the Lease Term (August 1, 2025 through July 31, 2030):

- ▶ Tenant shall pay 50% of the reassessed property tax for the first year following the change in ownership.
- ▶ The remaining 50% shall be paid by Seller (approximately \$9,985 at list price).
- ▶ For the 2nd and subsequent years following the First Sale, Tenant shall reimburse for 100% of the property tax due.

Second and Subsequent Sales: Tenant shall not be responsible for any increase in Real Property Taxes resulting from a second or subsequent reassessment due to a change in ownership of the Property during the Lease Term.

MARKET OVERVIEW

The City Of Torrance/South Bay Region



The Torrance retail market benefits from its position within the Los Angeles–Long Beach–Anaheim MSA, one of the most economically diverse and supply constrained regions in the country.

The South Bay submarket maintains consistent demand from a dense consumer base, stable household incomes, and limited new retail construction, creating a durable environment for long term tenancy.

Retail corridors across the South Bay continue to perform steadily due to strong commuter patterns, established residential density, and proximity to major employment centers.

Trade areas in Torrance draw consistent activity from surrounding cities, strengthening cross regional foot traffic and broadening the consumer pool available to retail operators.

The broader MSA supports resilient retail fundamentals driven by population scale, diversified economic activity, and accessibility to multiple freeway systems.

This connectivity enhances consumer flow across submarkets and benefits service oriented operators with reliable daytime and residential demand drivers. Torrance's limited land availability reinforces long term value stability for infill retail assets positioned along major arterials.

Major Nearby Infrastructure

SOUTH BAY GALLERIA



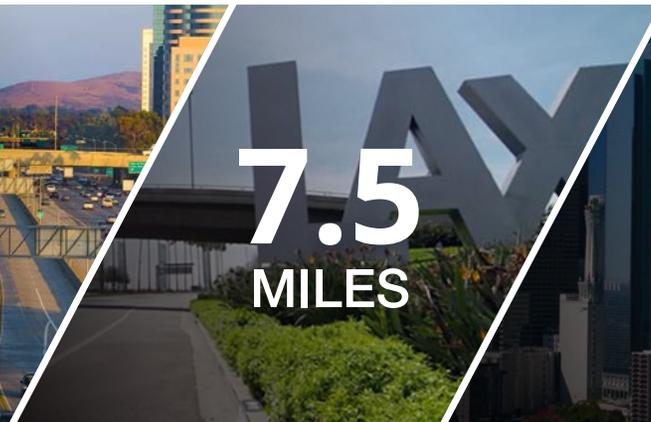
ALONDRA PARK



INTERSTATE 405 FREEWAY



LOS ANGELES INT'L (LAX)



DOWNTOWN L.A.



South Bay Region



Torrance City Hall

Demographics

Income & Economics

	1-Mile	3-Mile	5-Mile
Average Household Income	\$116,583	\$134,825	\$127,959
Average Household Retail Expenditure	\$257,641	\$264,470	\$259,735
2024 Daytime Population	22,837	302,667	707,266

Population

2029 Population	35,939	281,234	601,756
2024 Population	35,768	279,180	596,954
2010 Population	36,572	276,601	597,519

Households

2029 Households	13,152	106,329	223,601
2024 Households	13,075	105,493	221,331
2010 Households	12,968	104,344	218,204

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THERAPEUTIC DAY PROGRAM

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