

OFFERING MEMORANDUM

VCA ORANGE ANIMAL HOSPITAL

NNN Veterinary Hospital Investment
Opportunity in Orange County, CA



1100 W CHAPMAN AVE, ORANGE, CA 92868

 **Kidder
Mathews**

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*Exclusively
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EXECUTIVE SUMMARY

Section 01

INVESTMENT SUMMARY



\$3,339,198

LIST PRICE



\$16,695.99

CURRENT MONTHLY BASE RENT



NNN

LEASE TYPE



6.00%

CAP RATE



±5 YEARS

LEASE TERM REMAINING



CORPORATE

LEASE GUARANTOR (VCA ANIMAL HOSPITALS, INC.)





PROPERTY HIGHLIGHTS

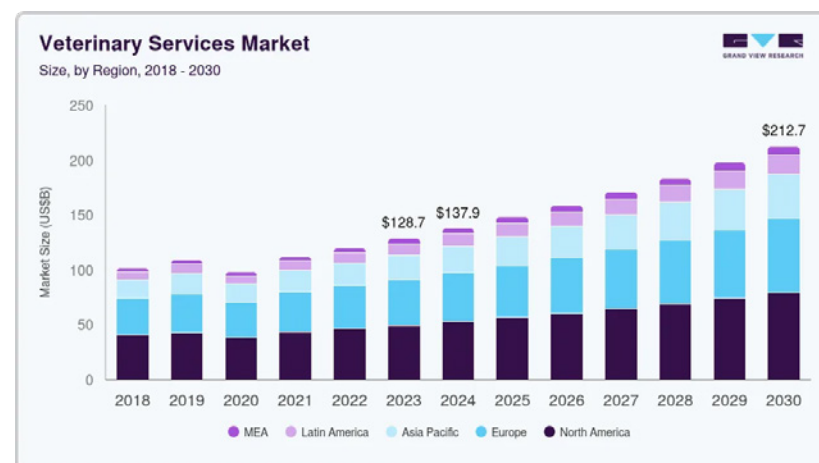
- **Veterinary Centers of America (VCA) Corporate Guaranty**
Lease features a corporate guaranty from VCA, the largest operator of veterinary hospitals in the United States, supporting 1,000+ practices nationwide.
- **Open 7 Days a Week** The hospital maintains extended hours and daily availability, reinforcing strong client loyalty and steady patient traffic.
- **High-Performing Practice** Among the best-performing VCA locations in the region, the hospital demonstrates strong revenue and sustained operational success.
- **Global Leader–Mars, Inc.** VCA is owned by Mars, Inc., a privately held multinational company with over \$50 billion in annual revenue. Mars operates a diverse portfolio including pet care, veterinary services, food, and confectionery, and is ranked as the 4th largest privately held company in the U.S. (Forbes).
- **Renewal Option Just Exercised** Tenant recently exercised one of its renewal options, extending the lease term and demonstrating a clear long-term commitment to the location.
- **NNN Lease–Minimal Landlord Responsibilities** Tenant is directly responsible for all expenses, including taxes, insurance, roof, HVAC, maintenance, utilities, parking lot, plumbing, and fire/life safety systems. The landlord's responsibility is limited solely to maintenance and repair of the foundation, load-bearing walls, and exterior walls.
- **AAHA-Accredited Facility** The hospital is accredited by the American Animal Hospital Association, underscoring its exceptional standards of veterinary care and operational excellence.
- **Full-Service Veterinary Hospital** Facility provides comprehensive diagnostic, surgical, and wellness services. The hospital currently has 5 exam rooms, with a 6th exam room planned, and 23 on-site parking spaces.
- **Teaching Hospital** VCA Orange serves as a training site for veterinary assistant programs, vet techs in school, and DVM students, solidifying its role as both a care provider and an educational resource.
- **Inflationary Protection** Lease features 2% annual rental increases, providing a stable hedge against inflation.



TENANT HIGHLIGHTS

- **Long-Term Commitment to the Site** VCA recently consolidated operations by closing VCA Tri-City Animal Hospital in Fullerton and directing clients to VCA Orange, further strengthening this location's patient base and operational importance.
- **Partnership With Emergency Clinics** The hospital collaborates with emergency pet clinics across Orange County, creating strong referral networks and patient retention.
- **Multi-Doctor Practice** Staffed by 2 full-time and 1 part-time DVM, ensuring continuity of care and consistent patient volume.
- **Largest Global Veterinary Services Network** Mars Veterinary Health owns and operates ±3,000 veterinary clinics and hospitals worldwide, including VCA, Banfield Pet Hospital, BluePearl Pet Hospital, and AniCura.
- **Industry Resilience** Veterinary hospitals are highly resistant to relocation due to high capital investment and patient loyalty. The sector remains insulated from e-commerce disruption and resilient to economic downturns.
- **Strong Sector Growth** The global veterinary services market, valued at \$150 billion in 2024, is projected to grow at a 7.45% CAGR from 2023 to 2030.
- **Key Pet Ownership Statistics in the US**
 - 71% of households in the US, or 94 million, own a pet. This increase in pet ownership trend has fueled demand for veterinary services, including preventive care, diagnostics and treatments.
 - The average US dog owner spends about \$2,524 per year on recurring pet costs.
 - People spent \$136.8 billion on pets in 2022, \$147 billion in 2023, and \$150 billion in 2024.

*Source: American Pet Products Association (APPA) via MarketWatch Guides, published March 26, 2025.



Source: [grandviewresearch.com/industry-analysis/veterinary-services-market](https://www.grandviewresearch.com/industry-analysis/veterinary-services-market)

LOCATION HIGHLIGHTS

- **Prime Orange County Location** The property is situated in the City of Orange, a highly desirable submarket in the heart of Orange County – one of the nation’s most affluent and supply-constrained markets.
- **Affluent Demographics** The immediate trade area boasts over 350,000 residents within a 5-mile radius with average household incomes exceeding \$120,000, fueling strong demand for veterinary services.
- **Regional Accessibility** Centrally located with direct access to SR-57, SR-22, and I-5, the hospital draws clients from across the county. The site sits less than 10 minutes from Disneyland Resort, CHOC Children’s Hospital, and major employment centers.
- **Strong Economic Base** Orange County has one of the most diverse economies in California, anchored by healthcare, education, tourism, and technology. Its unemployment rate consistently trends below the national average.
- **Supply-Constrained Market** Barriers to new development in Orange County are extremely high due to zoning restrictions, land scarcity, and cost, making existing veterinary real estate locations both irreplaceable and increasingly valuable.
- **Retail & Community Presence** The property benefits from being located along Chapman Avenue, a major commercial corridor surrounded by retail, dining, and medical facilities that drive daily consumer traffic and visibility.
- **Proximity to Chapman University** The property is located just 0.5 miles from Chapman University, a nationally recognized private institution with over 10,000 students, faculty, and staff contributing to consistent local economic and community activity.
- **Strategic Consolidation Hub** With the closure of nearby Tri-City Animal Hospital in Fullerton, VCA has consolidated patients into the Orange hospital, strengthening its long-term viability.



EXECUTIVE SUMMARY





Photo edited for illustrative purposes and may not represent the property's actual condition.





FINANCIAL OVERVIEW

Section 02

LEASE ABSTRACT

TENANT	VCA Orange Animal Hospital
ADDRESS	1100 W Chapman Ave, Orange, CA 92868
BUILDING SF	±6,156 SF
LEASE COMMENCEMENT DATE	11/18/2015
LEASE END DATE	11/17/2030
LEASE TERM REMAINING	±5 Years Remaining
LEASE TYPE	NNN
TENANT RESPONSIBILITIES	Tenant is responsible for all costs associated with: Taxes, Insurance, Utilities, Maintenance, Roof, Dock and Loading Areas, Truck Doors, Plumbing, Fire Sprinklers and Fire Protection Systems, Entries and Doors, Windows, Interior Walls, Interior Side of Exterior Walls, HVAC, Parking Lot, and Driveways.
LANDLORD RESPONSIBILITIES	Landlord is responsible for the maintenance and repair of the: Foundation, Load Bearing and Exterior Walls.
RENTAL INCREASES	2% Annual Increases
OPTIONS	2, 5-Year Options Remaining
GUARANTY	Corporate - VCA Animal Hospitals, Inc.
YEAR BUILT	1982 / Renovated 2003
RENTAL RATE/SF (\$)	\$32.55
MONTHLY BASE RENT (\$)	\$16,695.99
YEARLY BASE RENT (\$)	\$200,352

*Lease & Financial Information Disclaimer: All lease and financial details are provided for informational purposes only and are believed to be accurate, but are not guaranteed. Buyers are advised to independently verify all information through their own due diligence. The Broker and Seller / Landlord assume no liability for any errors or omissions.



PRICING

PRICE	<i>\$3,339,198</i>
NOI	<i>\$200,352</i>
CAP RATE	<i>6.00%</i>
PRICE/SF	<i>\$542.43</i>



TENANT OVERVIEW

Section 03

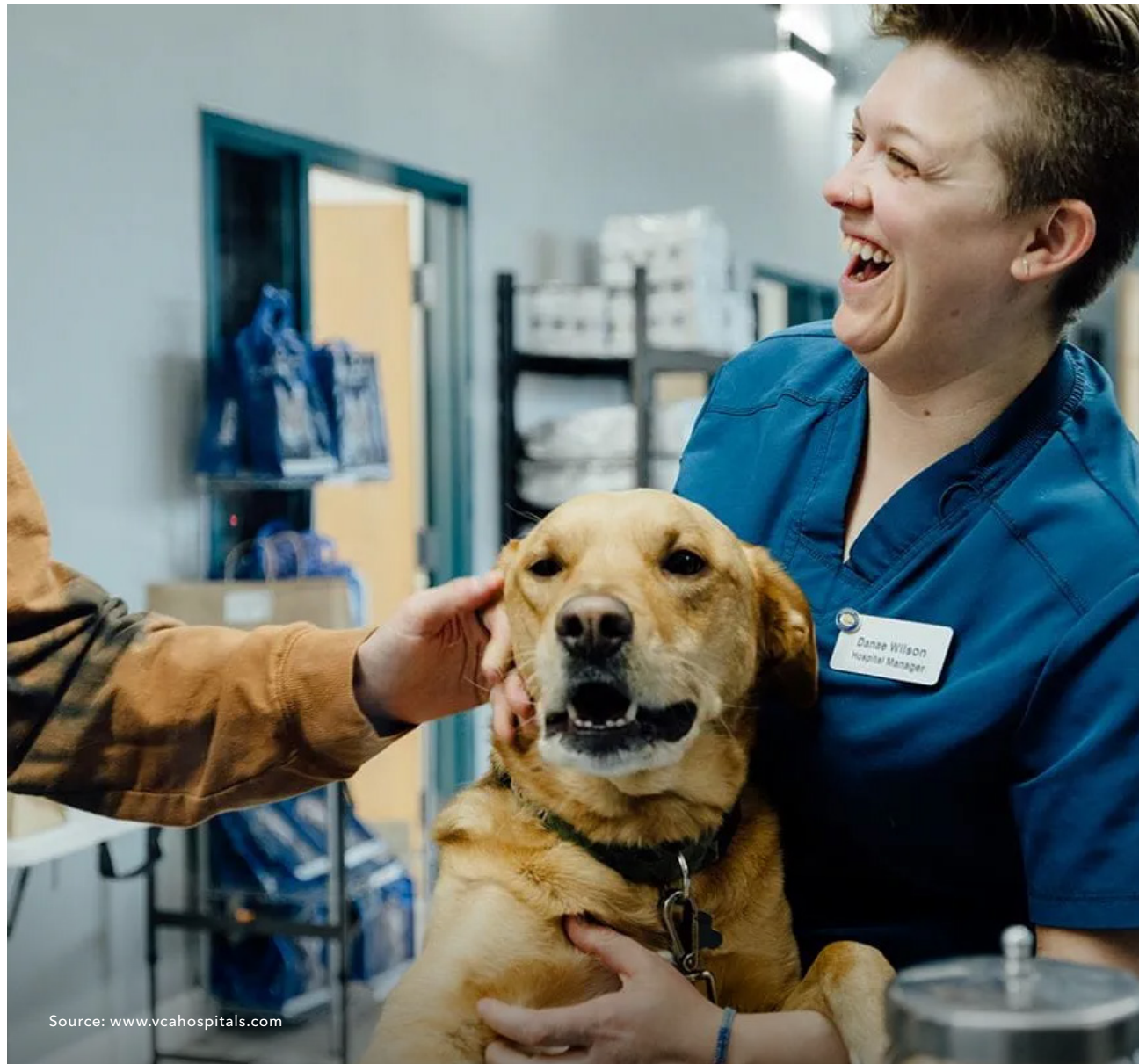
TENANT SUMMARY



VCA Animal Hospitals is a leading network of veterinary care providers in North America, with a history spanning over 35 years. As a subsidiary of Mars, Incorporated, a global leader in pet care, VCA operates a vast network of over 1,000 veterinary hospitals across the United States, Canada, Brazil, and Japan. VCA is dedicated to providing high-quality, comprehensive veterinary care, including wellness and preventative medicine, advanced diagnostics, and specialized treatments. Their business model emphasizes clinical excellence, leveraging a team of highly skilled veterinarians and support staff to deliver compassionate care.

OUR MISSION

VCA is committed to improving the lives of pets and the people who love them. This is achieved by delivering world-class pet healthcare and exceptional client service. The organization's mission is supported by a focus on medical innovation, ongoing professional development for its teams, and a deep-seated commitment to the well-being of the communities it serves.



Source: www.vcahospitals.com



LOCATION OVERVIEW

Section 04

ORANGE COUNTY, CA

Orange County is a picturesque area situated along the Southern California coastline, bordered by Los Angeles County to the north and San Diego County to the south.

It encompasses 34 cities, including well-known communities such as Orange, Anaheim, Irvine, Newport Beach, Huntington Beach, and Laguna Beach. Known for its Mediterranean climate, Orange County enjoys mild, wet winters and warm, dry summers, contributing to its year-round appeal.

Originally inhabited by the Tongva and Acjachemen Native American tribes, the area was colonized in the late 18th century under Spanish rule. During the 19th century, Orange County's economy was primarily agricultural, with vast citrus groves—especially orange orchards—earning it the name “Orange County.” The discovery of oil in the early 20th century and later urbanization accelerated the region's growth. The completion of freeways and post-WWII housing booms transformed Orange County into a thriving suburban and economic hub.

Today, Orange County balances its rich historical roots with modern development, featuring diverse residential neighborhoods, bustling business districts, and renowned cultural and recreational amenities. The county's population of over 3 million reflects a diverse demographic mix, including strong Asian, Latino, and White communities, fostering a multicultural environment.

PROPERTY SPECIFIC DEMOGRAPHICS

693K

2025 POPULATION
5-MILE RADIUS

198K

HOUSEHOLDS
5-MILE RADIUS

\$127K

AVG HH INCOME
5-MILE RADIUS

THINGS TO DO IN ORANGE COUNTY

DISNEYLAND RESORT

Find a full day of magic and excitement at Disneyland Resort in Anaheim. Enjoy thrilling theme park rides and shows across two parks, explore vibrant shopping and dining at Downtown Disney, and experience a one-of-a-kind destination that's fun for the whole family and a cornerstone of Orange County's entertainment scene.

BEACHES & COASTAL LIFESTYLE

Orange County's 42-mile coastline is home to some of California's most iconic beach cities. Huntington Beach offers surf culture and lively competitions, Newport Beach delivers luxury marinas and upscale coastal living, and Laguna Beach combines dramatic scenery with a vibrant arts community. Together, they define the county's unique blend of recreation, culture, and lifestyle appeal.

KNOTT'S BERRY FARM

Knott's Berry Farm, the oldest theme park in the county, offers a mix of thrill rides, family-friendly attractions, and seasonal events such as Ghost Town Alive and the Boysenberry Festival. These parks contribute to Orange County's reputation as a global tourism destination.

IRVINE SPECTRUM

Discover nonstop fun at the Irvine Spectrum Center, Orange County's premier outdoor shopping and entertainment destination. With a mix of popular retail stores, diverse restaurants, a state-of-the-art movie theater, and exciting attractions like the iconic Giant Wheel, it's the perfect spot for shopping, dining, and entertainment all in one vibrant location.

SEGERSTROM CENTER FOR THE ARTS

The Segerstrom Center for the Arts in Costa Mesa is Orange County's premier performing arts destination, offering Broadway productions, symphony concerts, and ballet. It also enriches the community through arts education and international collaborations, reinforcing the county's reputation as a cultural hub.

SANTA ANA RIVER TRAIL

Stretching nearly 30 miles through Orange County, the Santa Ana River Trail is one of Southern California's most popular multi-use pathways. Designed for cycling, jogging, walking, and equestrian use, the trail connects inland communities with coastal destinations, offering scenic views and recreational access while enhancing connectivity throughout the county.





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