

# CENTERWELL SENIOR PRIMARY CARE

3001 JEFFERSON AVE NEWPORT NEWS, VA



10-YEAR, NNN LEASED MOB OPPORTUNITY WITH BBB+ CREDIT GUARANTY | NEW 2024 CONSTRUCTION | HAMPTON ROADS, VA

# EXECUTIVE SUMMARY

Cushman & Wakefield | Thalhimer is pleased to exclusively offer for sale a freestanding CenterWell Senior Primary Care Clinic (the "Property") on a new 10-year, corporately guaranteed, NNN lease located in Newport News, Virginia. The Property sits in an Opportunity Zone and is currently under construction with completion scheduled for mid-2024, giving investors the ability to close prior to final certificate of occupancy approval, which may provide potential for significant capital gains tax savings. CenterWell, a Humana company, is the nation's leading senior primary care provider with over 250 locations and approximately \$3.0 billion in annual revenues. Additionally, CenterWell's investment at the Property is north of \$1 million, furthering their commitment to the location.

The Property sits directly off I-664 within the Hampton Roads region across the street from Huntington Ingalls Industries Newport News Shipbuilding which employs over 25,000 workers and generates nearly \$5.8 billion in annual revenues. Additional surrounding demand drivers include a recently constructed Fresenius Health Care (\$4.6MM project; 15 year lease), Piggly Wiggly, Virginia ABC, Family Dollar, and Dunkin' within a short walk from the Property. CenterWell strategically chose this clinic location due to the high concentration of senior-age adults, heavy reliance on Medicaid and Medicare for primary care needs, and a severe lack of quality healthcare options in the surrounding area. The combination of long-term credit tenancy, passive NNN lease with rent escalations, and brand new construction makes CenterWell Senior Primary Care an ideal investment opportunity.

## PROPERTY

3001 Jefferson Avenue Newport News, VA

## TOTAL SF

7,500 SF

## SITE SIZE

± 0.86 acres

## TENANT

HUM Provider Holdings, LLC  
dba CenterWell Senior Primary Care

## LEASE STRUCTURE

NNN

## PSF BASE RENT

\$36.50

## CURRENT ANNUAL RENT

\$273,750

## RENT ESCALATIONS

10% Every 5 Years

## EST. COMMENCEMENT DATE

6/4/2024

## LEASE TERM

10 Years

## EST. EXPIRATION DATE

6/3/2034

## CAP RATE

6.25%

## PRICE

\$4,380,000



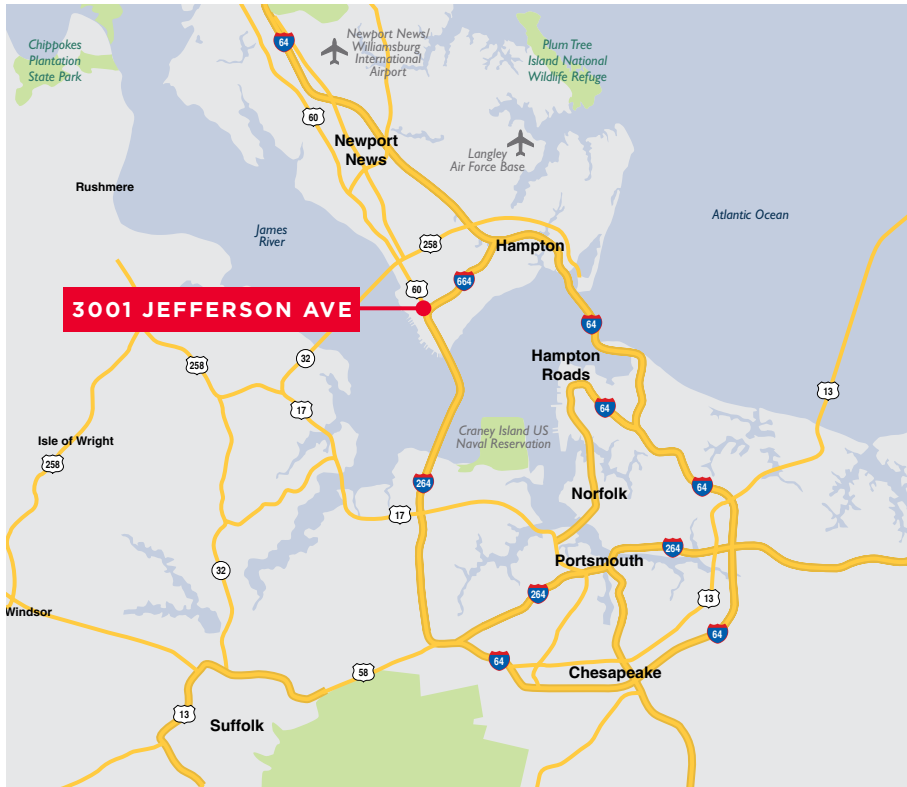
\*CenterWell Senior Primary Care Rendering

# INVESTMENT HIGHLIGHTS

- Corporately Backed by Humana, Inc. (NYSE: HUM, S&P: BBB+)
- Brand-New 2024 Construction
- 10-Year NNN Lease with Minimal Landlord Obligations
- Base Rent Escalations During Initial Term & Renewal Options
- CenterWell - Nation's Leading Senior Primary Care Provider
- Ideal Location in Hampton Roads Next to Newport News Shipbuilding
- High Concentration of Senior Population and Medicaid/Medicare Users
- Excellent Interstate Access Just 0.5 Miles from I-664 & I-64
- Tenant Investment North of \$1 Million
- Opportunity Zone Location
- Proximate to New 81-Unit Apartment Complex built by Penrose and Newport News Housing Authority



# LOCATION OVERVIEW



## DEMOGRAPHICS

|                                       | 1 mile    | 3 miles   | 5 miles   |
|---------------------------------------|-----------|-----------|-----------|
| 2024 Daytime Population               | 46,391    | 77,171    | 133,966   |
| Avg. Household Income                 | \$48,964  | \$57,206  | \$73,627  |
| Average Home Value                    | \$224,758 | \$277,517 | \$277,005 |
| Median Age                            | 35.3      | 38.0      | 38.1      |
| % of Adults Over 55                   | 27.9%     | 30.9%     | 30.8%     |
| % of Adults Over 65                   | 15.9%     | 18.1%     | 18.0%     |
| % of Population with Bachelors Degree | 11.5%     | 15.6%     | 24.5%     |

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Starbucks  
Walmart  
Save money. Live better.  
↑

HERITAGE HIGH SCHOOL

FAMILY DOLLAR

Langley  
Save. Restore. Re-Specialize.



COPELAND INDUSTRIAL PARK

664

NEWPORT NEWS SHIPBUILDING

WARWICK BLVD

14,000 VPD

3001 JEFFERSON AVE

664



FRESENIUS KIDNEY CARE



DUNKIN'

FAMILY DOLLAR

THE LIFT & RISE ON JEFFERSON  
81 AFFORDABLE AND MARKET RATE APARTMENTS  
PENROSE & NEWPORT NEWS HOUSING AUTHORITY



piggly wiggly  
PIZZA ABC

DOLLAR GENERAL

664



**INVESTMENT ADVISORS**

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**CUSHMAN &  
WAKEFIELD**

**THALHIMER**

**CONFIDENTIALITY AGREEMENT FOR SIGNATURE BY PROSPECTIVE PURCHASER**

**Thalhimer, Inc. ("Cushman & Wakefield | Thalhimer")**  
**11100 West Broad Street**  
**Glen Allen, VA 23060**

Attention: **Cushman & Wakefield | Thalhimer**  
**Capital Markets - Richmond**

**RETURN VIA:**

**E-mail: Attn. Jessica Baldwin**  
**[jessica.baldwin@thalhimer.com](mailto:jessica.baldwin@thalhimer.com)**

**RE: CenterWell Senior Primary Care | Address: 3001 Jefferson Ave, Newport News, VA**

This will serve to confirm our understanding and agreement concerning certain material, data and information (herein "Evaluation Material") which you will make available to us in connection with a possible purchase by us of the Property. You are prepared to furnish us with the Evaluation Material in connection with discussions and negotiations concerning a possible transaction involving the Property only on the conditions that we treat such Evaluation Material confidentially and confirm certain representations to you. Therefore, as a prerequisite to your furnishing to us the Evaluation Material, we hereby represent and agree as follows:

1. The Evaluation Material furnished to us will be used by us solely for evaluating a possible transaction exclusively for our own account, as principal in the transaction, and not as a broker or agent for any other person. Therefore, we agree to keep all Evaluation Material strictly confidential; provided however, that any of such Evaluation Material may be disclosed to our directors, officers or employees as well as our counsel, accounting firms and financial institution who need to know such information for the purpose of assisting us with our possible purchase of the Property. Such directors, officers, employees, lawyers, financial institutions and accountants shall be informed by us of the confidential nature of such information and shall be directed by us to treat such information with strict confidence.
2. Although you have endeavored to include in the Evaluation Material information which you believe to be relevant for the purpose of helping us in our evaluation of the Property for possible purchase, we understand and acknowledge that neither the owner ("Owner") of the Property nor Cushman & Wakefield | Thalhimer make any representation or warranty to us as to the accuracy or completeness of the Evaluation Material except as set forth in a definitive agreement. We agree that the Owner and Cushman & Wakefield | Thalhimer shall not have any liability to us as a result of our use of the Evaluation Material except as set forth in a definitive agreement and it is understood that we are expected to perform such due diligence investigations and inspections of the Property as we deem necessary or desirable and as permitted by agreement with the Owner of the Property.
3. We also represent that no broker or agent represents us or will represent us in any possible transactions involving the Property unless we disclose it in writing to Cushman & Wakefield | Thalhimer prior to the receipt of the Evaluation Material and that we fully agree to compensate our broker or agent. Neither Cushman & Wakefield | Thalhimer nor the Owner are responsible for any compensation to be paid to our broker or agent.

**ACQUISITIONS OFFICER:**

|                       |                                     |
|-----------------------|-------------------------------------|
| _____                 | Company: _____                      |
| Authorized Signature  | Address: _____                      |
| Date: _____           | Address: _____                      |
| Print Name: _____     | City: _____ State: _____ Zip: _____ |
| Title: _____          | Phone: _____                        |
| E-mail address: _____ | Fax: _____                          |

**ANALYST OR OTHER REQUESTED RECIPIENT(S):**

|                   |              |
|-------------------|--------------|
| _____             | Phone: _____ |
| Print Name: _____ | Fax: _____   |
| Title: _____      |              |

E-mail address(es): \_\_\_\_\_

## AGENCY DISCLOSURE

Virginia law and regulations require real estate agents to disclose their agency relationships to all prospective customers and clients. In addition to meeting that requirement, this disclosure is intended to inform customers about agency relationships and the duties of real estate agents, brokers and firms. For convenience, Thalhimer and all other real estate agents, brokers and firms are hereinafter collectively referred to as "*licensees*" since they are all required to be licensed by the Virginia Real Estate Board.

**AGENCY** is the relationship formed when one person works for or represents another person by express authority. People whom licensees represent are called "*clients*". People who receive services from licensees without being represented by the licensees are called "*customers*". A licensee does not necessarily represent the person who pays him or her. As a result, a licensee can represent the buyer, but be paid by the seller, or vice versa. Although agency relationships can be formed without a written agreement, you should not assume that any person represents you unless you have a written agreement with such person. The agreement between the licensee and the client creates a *brokerage relationship*.

**CLIENT STATUS.** As a client, you enter into an agreement with a licensee for that licensee to represent you. This agreement may be called a "listing," a "management agreement," a "buyer broker agreement," or an "agency agreement," depending on whether you are a seller, landlord, buyer, or tenant. You are then the licensee's *client*. If the agreement is an exclusive agreement, you are required to work through that licensee. A licensee will generally be entitled to a commission if you buy, sell, or lease (as applicable) property, even if you do not use the services of the licensee. A licensee is required to provide you certain assistance, such as to fulfill contractual obligations, facilitate settlement or finalize a lease, and to disclose any material information related to the property or the transaction of which the licensee has actual knowledge. The licensee is also *required not to disclose* to other parties any personal or financial information about you or any other information you ask to be kept confidential.

**CUSTOMER STATUS.** As a customer, you do not sign an agreement with a licensee (although the licensee is still required to obtain this Agency Disclosure form executed by you). You are then the licensee's *customer*. The licensee may represent the other party in the transaction, who will be the licensee's *client*. You are not legally required to work through a licensee, and the licensee will only be entitled to a commission if you buy, sell or lease (as applicable) property through the licensee. A licensee can give you general advice and is required to treat you honestly and disclose material adverse facts known to the licensee regarding the physical condition of the property, but the licensee generally cannot give advice regarding price or assistance in negotiating favorable terms. The licensee is *required to disclose* to its client any information which it knows about you which might be helpful to the client. If you will be a customer, you should be aware that there may be other relevant information concerning the transaction which may be obtained from other sources.

**ADDITIONAL DUTIES OF LICENSEES.** In addition to the duties that are described above and any duties included in the agreement between the licensee and the client, a licensee has certain duties under Virginia law and the regulations of the Virginia Real Estate Board. A licensee must promote the interests of its client by seeking a buyer or tenant or an appropriate property for its clients, although a licensee is not required to continue these efforts after a contract has been signed, and by timely presenting all written offers and counter-offers. A licensee must account to its client for all money and property which the licensee receives in which the client has an interest. Before a licensee enters into a brokerage relationship, the licensee must advise the prospective client of the type of relationship which is proposed, the licensee's compensation and whether the licensee will share that compensation with a licensee who represents another party to the transaction. A licensee owes its clients a duty of ordinary care.

"Thalhimer" is a registered trade name for Morton G. Thalhimer, Inc., a Virginia corporation, which is a duly licensed real estate brokerage and services firm and an independently owned and operated business.

**This is not an agreement, but only a disclosure form.**

### DISCLOSURE OF BROKERAGE RELATIONSHIP

I acknowledge that Thalhimer and **Bo McKown** (Name of Salesperson) have disclosed to me that they represent the following party in this real estate transaction: **Seller**

The commission for the transaction contemplated between the undersigned will be paid by: **Seller**

Property: **CenterWell Senior Primary Care**

\_\_\_\_\_

Date

\_\_\_\_\_

Printed Name

\_\_\_\_\_

Signature

\_\_\_\_\_

Company