

SANTOVENIA ASSISTED LIVING FACILITY

OFFERING MEMORANDUM

6856 St Augustine Rd | Jacksonville, FL 32217

INVESTMENT HIGHLIGHTS

DISTRESSED ACQUISITION BASIS Renovation needs to be completed, creating a below-market entry point for an investor willing to complete the project. The asset can be acquired at a significant discount to stabilized value.

UNLICENSED — LICENSING UPSIDE The facility is currently unlicensed pending renovation completion. A buyer who completes the buildout and obtains state licensure effectively creates value unavailable in any turnkey acquisition.

VALUE-ADD REPOSITIONING PLAY Estimated renovation cost to complete is approximately \$123,500 - \$152,700. Once stabilized, the project is projected to achieve high occupancy due to pent up demand.

AGING POPULATION — STRONG DEMAND The 75+ population is forecast to grow by 44% over the next ten years, driving long-term demand for senior housing.

SUPPLY-CONSTRAINED SUBMARKET Licensed ALF bed supply in Duval County is limited. Licensing barriers to entry, certificate of need requirements, and lengthy approval timelines protect stabilized operators. New construction starts have slowed due to high financing and construction costs.

CLEAR PATH TO OPERATIONAL VALUE The renovation is estimated 65% complete. Remaining scope is defined — mechanical, finishes, FF&E. Licensure application follows certificate of occupancy, with estimated stabilization within 6 months of close.

SENIOR HOUSING MARKET FUNDAMENTALS Jacksonville's senior housing market continues to benefit from significant in-migration and growing elderly population, expressing the substantial need senior housing. Assisted living remains the most targeted investment types of senior housing.

OFFERING SUMMARY

Listing Price	\$750,000
Price / Bed	\$53,571
Total Beds	14
Building SF	3,600 SF
Year Built	1958
Lot Size	11,326 SF (0.26 Acres)
Zoning	CRO
Current Status	Vacant / Non-Operational
Renovation Status	Under Renovation — Est. Near Completion
Licensing Status	Pending Renovation Completion

PROPERTY OVERVIEW



PROPERTY DESCRIPTION

Marcus & Millichap is pleased to present the opportunity to acquire 6856 St. Augustine Road, a value-add Healthcare Residential Redevelopment opportunity in Jacksonville, FL. The property is located just south of the intersection of University Boulevard and St. Augustine Road within the San Marco / San Jose corridor.

The property is currently undergoing renovation and is vacant, offering a new operator the ability to complete improvements and execute a full lease-up stabilization. The asset consists of a 3,600 square-foot, two-story concrete building situated on an 11,326-square foot corner lot with direct frontage along St. Augustine Road.

The facility is configured for 14 licensed beds across 8 resident rooms, including 6 double-occupancy rooms (12 Beds) and 2 private rooms (2 Beds). The layout includes a commercial kitchen, community living area and sunroom. The second floor provides two staff quarters, an additional kitchen, and office space. The layout and common areas provide a viable opportunity to include adult day care services, creating an additional revenue stream.

Constructed in 1958 and renovated in 1975, the property is currently undergoing a comprehensive renovation. The building features a concrete slab foundation, Masonry block construction with Stucco exterior, and a wood truss roof with asphalt /composite shingles. HVAC will be centralized and a wet sprinkler fire suppression system. Asphalt surface parking is provided for 18 spaces. Supporting both resident use and adult day care operations. The site is zoned CRO (Commercial / Residential /Office), a flexible mixed-use designation that supports medical and service-oriented uses with strong visibility.

The proposed payor mix includes 2 Medicaid beds, with the remaining position for private pay, VA assistance, and /or insurance reimbursement. Based on market comparables, projected average monthly rate are approximately \$3,200 per double-occupied bed and \$5,200 per private room.

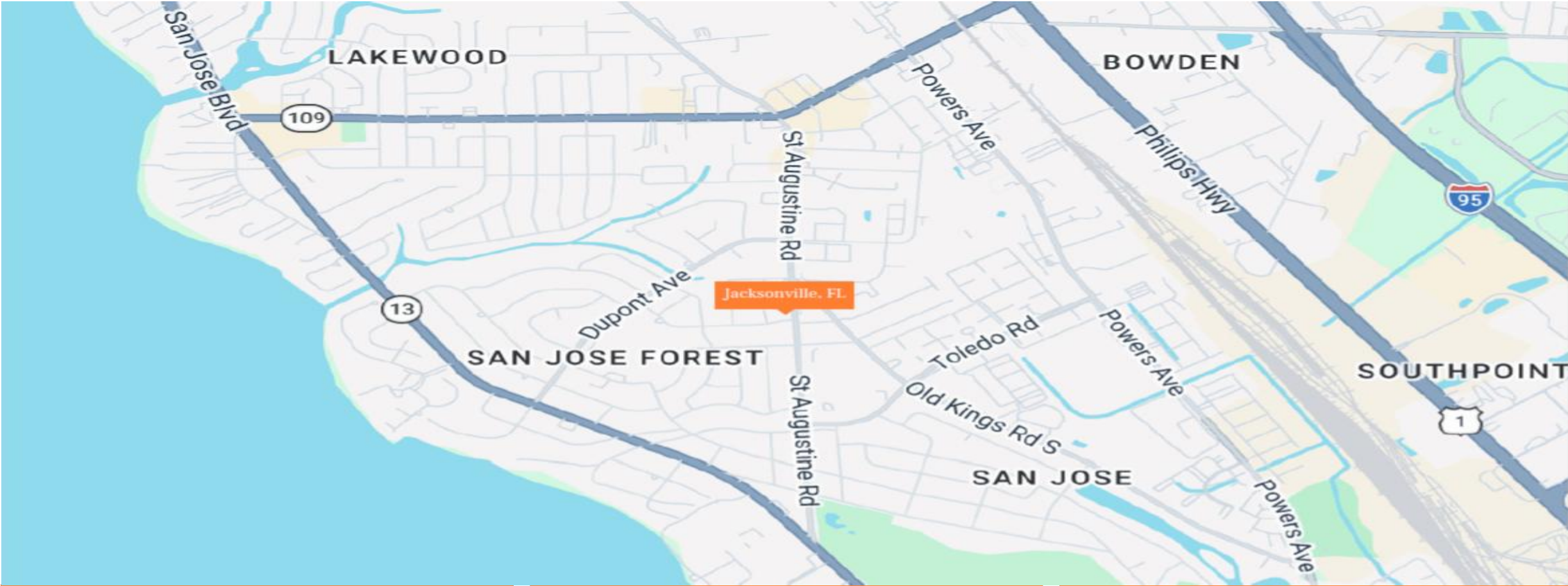
Value creation is driven by completing renovation, obtaining AHCA licensure, stabilizing occupancy and leveraging supplemental income through adult day care operations and transportation services.

PROPERTY DETAILS

Address	6856 St Augustine Rd, Jacksonville, FL 32217
County	Duval County
Parcel ID	150442-0000
Building SF	3,600 SF *Does not include approximately 1,000 SF sunroom
Stories	2
Total Licensed Beds (Pre-Closure)	14
Current Bed Count	14 Licensed Beds (Non-Operational)
Year Built	1958
Construction Type	Concrete / Wood Frame
Parking	Surface Lot — Paved
Sprinklered	YES

****FINANCIAL PROFORMA CAN BE MADE AVAILABLE UPON EXECUTION OF A CA**

LOCATION OVERVIEW



4.1 Miles to St Vincents Hospital

7 Miles to Downtown Jacksonville

16,500 VPD on St Augustine Rd

Jacksonville, FL serves a catchment area of 28,482 residents 65+ within a 5-mile radius, supported by 2 major hospitals and 15+ senior care facilities in the immediate trade area.

SITE & ZONING DATA

ATTRIBUTE	DETAIL
Zoning Classification	CRO (Commercial Residential Office)
Permitted Use	Assisted Living / Residential Care
Parcel ID	150442-0000
Legal Description	COMM/RES/OFF
Lot Size (AC)	0.26 Acres (11,326 SF)
Building SF	3,600 SF
Stories	2
Year Built	1958 / 1975
Construction Type	Concrete / Wood Frame
Parking Spaces	Surface Lot — Paved
Fire Suppression	Sprinklered throughout
Current Occupancy	Vacant / Non-Operational
Current Licensure Status	Unlicensed — Pending Renovation
Est. Renovation Cost to Complete	\$123,500 – \$152,700
Est. Timeline to Licensure	Est. 6–12 Months from Close



ZONING NOTES

The property is zoned CRO (Commercial Residential Office) in the City of Jacksonville / Duval County. Assisted living facilities are a permitted use under the CRO designation, subject to applicable AHCA (Agency for Health Care Administration) licensing requirements. The facility holds 14 licensed beds but is currently non-operational and unlicensed pending completion of the ongoing renovation. Licensure will be pursued through AHCA following issuance of a Certificate of Occupancy. Buyers should conduct independent zoning and entitlement verification with Duval County.

CAPITAL IMPROVEMENTS — OWNER INVESTMENT TO DATE

COMPLETED RENOVATION SCOPE — PAID TO CONTRACTORS

Electrical Systems <i>Full rewire, panel upgrade & interior generator panel</i>	\$35,000
Bathrooms & Plumbing <i>2 full gut renovations incl. ADA roll-in shower; new plumbing & drainage</i>	\$24,230
Framing, Drywall & Structural <i>New framing, drywall, staircase to code, concrete/CMU block window work</i>	\$40,651
Windows & Exterior Envelope <i>Code-compliant window replacement & CMU block infill</i>	\$21,650
Interior Finishes & Demolition <i>Tile & popcorn ceiling removal, interior paint (walls & ceilings), 2nd fl. flooring</i>	\$14,000
Permits, Architecture & Professional Studies <i>Architect, permits, plan review, asbestos & Phase I ESA, energy calc, appraisal</i>	\$20,512
Generator & MEP Equipment <i>Backup generator unit (pending installation) & 2nd floor plumbing</i>	\$8,350
TOTAL — THIRD-PARTY CONTRACTOR COSTS *	\$156,293

* Total reflects amounts paid directly to licensed contractors and third-party vendors. It does not include the significant personal labor, time, and out-of-pocket expenses contributed by the current owner and family throughout the renovation process. Invoices available upon request.

OWNER EQUITY AT WORK

\$156,293

Invested by Current Owner
in Third-Party Contractor Costs

~65%
Renovation Scope Complete

~\$175K
Estimated Budget to Complete

~\$331K
Projected All-In Renovation Cost

RENOVATION & LICENSING ROADMAP



SCOPE ITEM	OWNER EST.	MARKET RATE (3RD PARTY)
Flooring — Materials + Professional Install <i>Full labor + materials; commercial LVP or tile</i>	\$15,000	\$22,000 – \$25,000
Kitchen Cabinets — PVC Custom (Full Contract) <i>New owner has no deposit credit; starts from scratch</i>	\$4,500	\$8,000 – \$10,000
LP Tank Installation <i>Open-market vendor; no existing relationship discount</i>	\$2,800	\$3,500 – \$4,500
Electrician — Generator Hookup + Electrical Permit <i>Licensed electrician; permit required for C/O</i>	\$2,500	\$5,000 – \$7,500
Railing + Parking Lot Striping <i>ADA-compliant commercial railing + full line striping</i>	\$2,000	\$4,000 – \$5,000
Fascia Repair + Exterior Trim Paint <i>Third-party carpentry + paint; owner labor removed</i>	\$1,000	\$2,500 – \$3,500
Exterior Paint — Full Building (Labor + Materials) <i>Owner self-installed; new owner hires painting contractor</i>	\$500	\$4,000 – \$6,000

SCOPE ITEM	OWNER EST.	MARKET RATE (3RD PARTY)
Furniture / FF&E — 14 Beds + All Common Areas <i>Retail/commercial supplier; ~\$3,200–\$4,000 per bed</i>	\$30,000	\$45,000 – \$55,000
Dishwasher — Commercial Grade (New, Installed) <i>New equipment from restaurant supplier; not used/discounted</i>	\$1,500	\$3,500 – \$5,000
Exterior Sign — 4'x3' Panel, Installed <i>New owner may require different branding/design</i>	\$1,000	\$1,500 – \$2,500
Landscaping — Pre-Opening Curb Appeal <i>Professional landscaping company; no owner/family labor</i>	\$750	\$2,500 – \$3,500
Staff Orientation — 4 Caregivers, AHCA-Compliant <i>Market rate \$18–\$20/hr; may require extended orientation</i>	\$1,632	\$2,500 – \$3,200
GC Final Payment / New Project Closeout <i>New owner has no existing contract; GC hired mid-project</i>	\$9,000	\$15,000 – \$20,000
TOTAL (CONSERVATIVE ESTIMATE) *	\$72,182	\$123,500 – \$152,700

* Market Rate figures reflect estimated third-party contractor costs at prevailing rates. Figures do not assume owner-completed labor, existing vendor relationships, or previously negotiated pricing. Actual costs will vary based on new owner's scope and contractor selection.

MARKET OVERVIEW — Jacksonville, FL

LOCAL MARKET

Jacksonville's senior housing market is exceptionally well-positioned heading into the second half of 2026. Duval County is home to approximately 146,000 seniors, within a total city population exceeding one million residents, and that cohort is accelerating. Florida's Office of Economic and Demographic Research projects the 65-and-older population in Duval County will double by 2035, driven by both natural aging and sustained in-migration from northern states. Florida accounts for roughly \$6.5 billion in annual retirement community revenue and demand remains particularly high in expanding mid-sized cities like Jacksonville, fueled not only by local aging but by retirees relocating from colder climates. In higher-demand areas of Jacksonville, monthly assisted living costs frequently exceed \$6,000, and statewide assisted living costs have risen 15 to 20 percent over the past several years, driven by staffing pressures and healthcare wage growth — dynamics that support strong revenue potential for well-positioned operators.

Despite robust demand, new assisted living supply remains severely constrained in the Jacksonville market. Year-over-year inventory growth nationally fell to just 1 percent in 2025 — the lowest level since NIC began tracking this data in 2006 — pushing occupancy rates close to historic highs. National assisted living occupancy reached 87.2 percent in Q3 2025, rising for the 17th consecutive quarter, as move-ins consistently outpaced new inventory additions. In Duval County specifically, AHCA licensing requirements, certificate of need considerations, and lengthy approval timelines create meaningful barriers to entry that insulate existing licensed operators from new competition. The combination of a rapidly aging local population, limited new supply, and a high-cost regulatory approval process creates a compelling risk-adjusted environment for value-add repositioning of licensed or near-licensed assisted living assets.

SENIOR HOUSING FUNDAMENTALS

Seniors housing occupancy reached 88.7 percent in Q1 2026, marking the fifth consecutive year-over-year increase of more than 200 basis points. Assisted living led the gains, with occupancy rising over 220 basis points even as inventory grew 0.8 percent. Driving this sustained absorption is a powerful demographic tailwind — the 65-and-older population has expanded more than 30 percent over the past decade, and in 2026 the oldest Baby Boomers reach age 80, accelerating the shift toward higher-acuity care. Annual rent growth in assisted living exceeded 5 percent through March 2026, reflecting the strength of operator pricing power across the sector.

New development has become increasingly constrained, with construction materials costs hitting a record high in March 2026 and futures markets pricing in no Federal Reserve rate cuts this year — keeping borrowing costs elevated and limiting new starts. This tightening supply pipeline has redirected investor capital toward existing assets, with U.S. transaction velocity reaching its highest level since 2019 in 2025. Assets trading below replacement cost with identifiable operational upside are attracting the strongest interest, as yields on new construction are now often in line with the prevailing 8 percent average market cap rate, compressing return premiums for development and reinforcing the relative value of existing facilities.

QUICK FACTS

Metro Population	1.7 Million
Population 65+ (Est.)	~28,483 (5-mi radius)
Median HH Income	\$88,100
Senior Housing Occupancy Rate	88.7%
Licensed Assisted Living Facilities (Duval)	69
Avg Monthly Private Pay Rate	\$4,500–\$6,000 / Month
Competing ALF Facilities	Multiple within 5 Miles



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