

EXCLUSIVELY LISTED INVESTMENT OFFERING

CVS/pharmacy®

MICHIGAN INVESTMENT OPPORTUNITY | 444 MAIN STREET | BELLEVILLE, MI 48111



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Offering Summary

PRICE	\$1,431,760
CAP RATE	7.50%
PRICE PER SF	\$146.66
LEASE TERM REMAINING	10 Years
OPTIONS	5 (5-Year)
LEASE TYPE	Double Net
ANNUAL RENT (NOI)	\$107,382
MONTHLY RENT	\$8,948.50
BUILDING SIZE (SQUARE FEET)	9,762
LOT SIZE (SQUARE FEET)	10,630
PARCEL NUMBER	3 Parcels 31-084-01-0265-000, 001 & 002
YEAR BUILT/REMODELED	1999

Investment Highlights

STABLE INCOME

Rental income guaranteed by CVS parent corporate (S&P BBB+) investment grade Fortune 500 Company with over 7,900 locations.

RENT INCREASES IN OPTIONS

The lease allows for approximately five percent (5%) increases every five years in the options.

10 YEAR PRIMARY LEASE TERM

This CVS has approximately 10 years of primary lease term remaining and five (5-year) options on a double net lease basis with landlord responsible for roof and structure.

SOLID REAL ESTATE FUNDAMENTALS

CVS has signed a new 10 year lease for approximately \$11.00 per square foot annually. This rate is within current market rent levels.

LIMITED DRUGSTORE COMPETITION

Only major drugstore south of Interstate 94 within a 2 mile radius.

MAIN AND MAIN LOCATION

The subject property is located on the main thoroughfare of the township of Belleville on the south side of Belleville Lake surrounded by residential neighborhoods.

DETROIT MSA LOCATION

Belleville is a suburb of Detroit in Wayne County approximately 29 miles southwest of downtown Detroit. Wayne County is the most populated county in the Detroit Metropolitan Statistical Area (MSA) with approximately 4.3 million residents.

LEGACY STORE

The Belleville location has been the main pharmacy downtown since the 1950's when it was called Kirks pharmacy. In the 1970's it was sold and renamed to Rexall pharmacy and then again sold in the 1980's to be changed to Andrews Rexall pharmacy.

In the 1990's it was purchased by Sav-on and the building was rebuilt and enlarged twice its original size. It's infill location will provide CVS an irreplaceable storefront in the local downtown market benefitting from an established customer base going back decades.

PART OF CVS ACQUISITION OF SAV-ON

In January 2018 CVS acquired the drugstore chain Sav-on which has had a regional presence in Detroit since the 1950's. Of the 22 stores that CVS purchased from Sav-on they decided to keep 10 of the higher performing locations open that would benefit their current footprint in the Detroit market.

The Belleville, Romulus and Mt. Clemens stores offered in this portfolio are 3 of those 10 stores. These are legacy locations with a loyal customer base located in downtown areas with irreplaceable locations as evidenced by CVS signing new 10 year leases. Each location has a smaller footprint and relies on community parking to keep real estate costs minimal with CVS only paying \$11 per square foot in rents.

Michigan is one of the premier automobile/union driven economies and as such many of its employees and hence drugstore customers are driven by the relationships created by networks administered by Caremark. With the CVS brand, its ability to increase sales due to its relationship to national pharmacy benefit managers (PBM) and its ownership of the Caremark PBM, sales volumes at these locations are expected to increase significantly.



Lease Summary

ADDRESS	444 Main Street Belleville, MI 48111
TENANT	CVS (NYSE: CVS)
LANDLORD INCOME	Corporate Guarantee
CREDIT RATING	Investment Grade, BBB+ (S&P)
LEASE COMMENCEMENT	January 12, 2018
INITIAL TERM EXPIRATION	January 11, 2028
TERM REMAINING	10 Years
OPTIONS	Five (5-Year)
LEASE TYPE	Double Net
ANNUAL RENT (NOI)	\$107,382
MONTHLY RENT	\$8,948.50
RENT PER SQUARE FOOT	\$11.00
RENT INCREASES	5% in the options
LANDLORD RESPONSIBILITIES	Roof and Structure

Rent Schedule

TERM	DATES	MONTHLY RENT	ANNUAL RENT
Initial Term	1/12/2018 - 1/11/2028	\$8,948.50	\$107,382.00
Option 1	1/12/2028 - 1/11/2033	\$9,395.92	\$112,751.10
Option 2	1/12/2033 - 1/11/2038	\$9,865.72	\$118,388.65
Option 3	1/12/2038 - 1/11/2043	\$10,359.01	\$124,308.08
Option 4	1/12/2043 - 1/11/2048	\$10,876.96	\$130,523.48
Option 5	1/12/2048 - 1/11/2053	\$11,420.80	\$137,049.65



Building Photos



Location Aerial

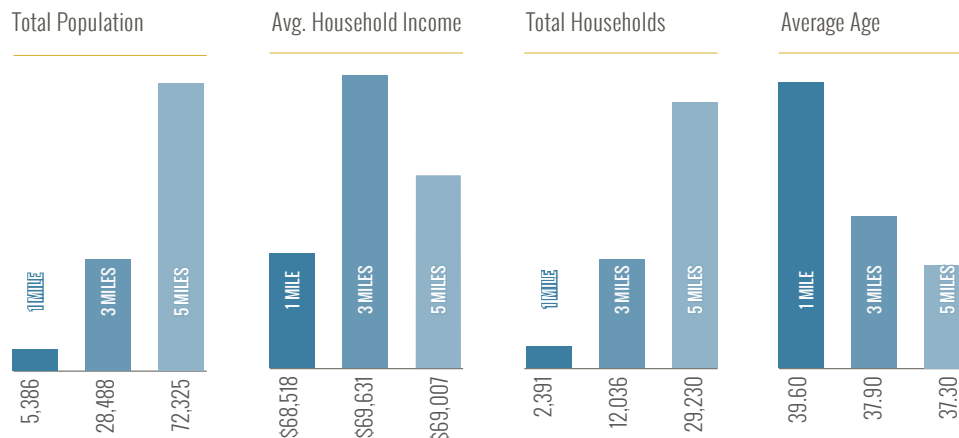


Location Overview and Demographics

Belleville, Michigan is located in Wayne County adjacent to Belleville Lake and is only 29 miles southwest from Detroit, Michigan. Detroit has a Gross Metropolitan Product of over \$210 Billion. Its major employers include Ford Motor Company and General Motors who have major manufacturing facilities within 10 miles of the subject property.

Some of the immediate area's major employers also include:

- **BEAUMONT MEDICAL CENTER** (0.2 miles south) - This outpatient medical office building is part of the Beaumont Health System with several other medical office buildings, three hospitals numbering approximately 1,800 beds and over 17,000 doctors and staff all over Michigan.
- **VAN BUREN PUBLIC SCHOOL DISTRICT** (0.5 miles southwest) - The school district is the largest employer in Belleville with approximately 750 employees.
- **WILLOW RUN AIRPORT** (3.3 miles northwest) - This airport serves freight, corporate and general aviation clients on three runways, is home to the Yankee Air Museum and hosts an annual air show featuring the Blue Angels.
- **WAYNE COUNTY COMMUNITY COLLEGE DISTRICT** (4.4 miles northeast) - The Western Campus of WCCCD is on 160 acres offering over 90 certificate programs enrolling over 70,000 students annually in all their campuses in Wayne County.
- **DETROIT METROPOLITAN WAYNE COUNTY AIRPORT** (9.1 miles east) - The airport has approximately 86,000 people employed by various companies serving over 35 million passengers annually.



Disclaimer: This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage, age, distances, lot size, store opening dates, demographic information, aerial information, tenant information & store operating information are approximate. By accepting this package, buyer and their representatives must verify the information and bears all risk for any inaccuracies.





CVS/pharmacy® Company Summary*

Tenant History

CVS pharmacy is the second largest pharmacy retail chain in the United States. CVS is incorporated in Delaware and based in Woonsocket, Rhode Island. CVS was founded in 1963 under the name Consumer Value Store and later changed its name to CVS Corporation in 1996.

During the 1990's the parent company changed its name from Melville Corporation to CVS Corporation and decided to focus entirely on CVS by selling of its non-pharmacy businesses such as Marshalls, Footaction/Footstar, Linens 'n' Things, and Kay-Bee Toys.

CVS used much of their capital from divesting in non-pharmacy businesses to reinvest into the pharmacy sector and have increased their national footprint primarily from acquiring competing pharmacy chains. From 1997 to 2008, CVS had purchased over 4,800 drugstore locations through acquisitions of competing pharmacy chains.

CVS has also made a concerted effort to establish strategic business units by acquiring Nashville based Caremark Rx Inc., a pharmacy benefits manager (PBM), and by acquiring Minneapolis based Minute Clinic which pioneers health clinics in over 600 of CVS stores. Its PBM wing provides \$76 billion in net revenues through services to over 2,000 health plans for corporations, insurance companies, unions and government entities.

During 2014, CVS boldly announced they would cease to sell any tobacco products moving forward costing the chain roughly \$2 billion in annual revenues.

Notable Acquisitions

In 1990, CVS acquired the 490 store People Drug which established the company in new mid-Atlantic markets including Washington D.C., Pennsylvania, Maryland and Virginia. In 1997, CVS nearly tripled its 1,400 stores after purchasing the 2,500 store Revco chain thereby adding locations throughout Ohio, mid-Atlantic and the southeast. In 2004, CVS purchased 1,268 Eckerd drugstores throughout Florida, Texas and other southern states.

On January 23rd, 2006 CVS announced that it agreed to acquire the freestanding drugstores of Albertsons and the deal included 700 stores trading under the Osco Drug and Sav-On Drug banners located primarily in the Midwestern and southwestern United States with the concentration of stores in southern California and the Chicago area. CVS last major acquisition was in 2008 when they purchased Longs Drugs which had over 400 stores in California and Hawaii.

**CVS company information received from CVS investor relations.*

Tenant Profile

GUARANTOR	CVS Pharmacy, Inc.
OWNERSHIP	Public
STOCK SYMBOL (NASDAQ)	CVS
CREDIT RATING (S&P)	BBB+
BUSINESS	Retail Pharmacy
LOCATIONS	7,998
ANNUAL REVENUE	\$153 Billion
MARKET CAPITALIZATION	\$37.2 Billion
HEADQUARTERS	Woonsocket, RI
WEBSITE	www.cvshealth.com



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