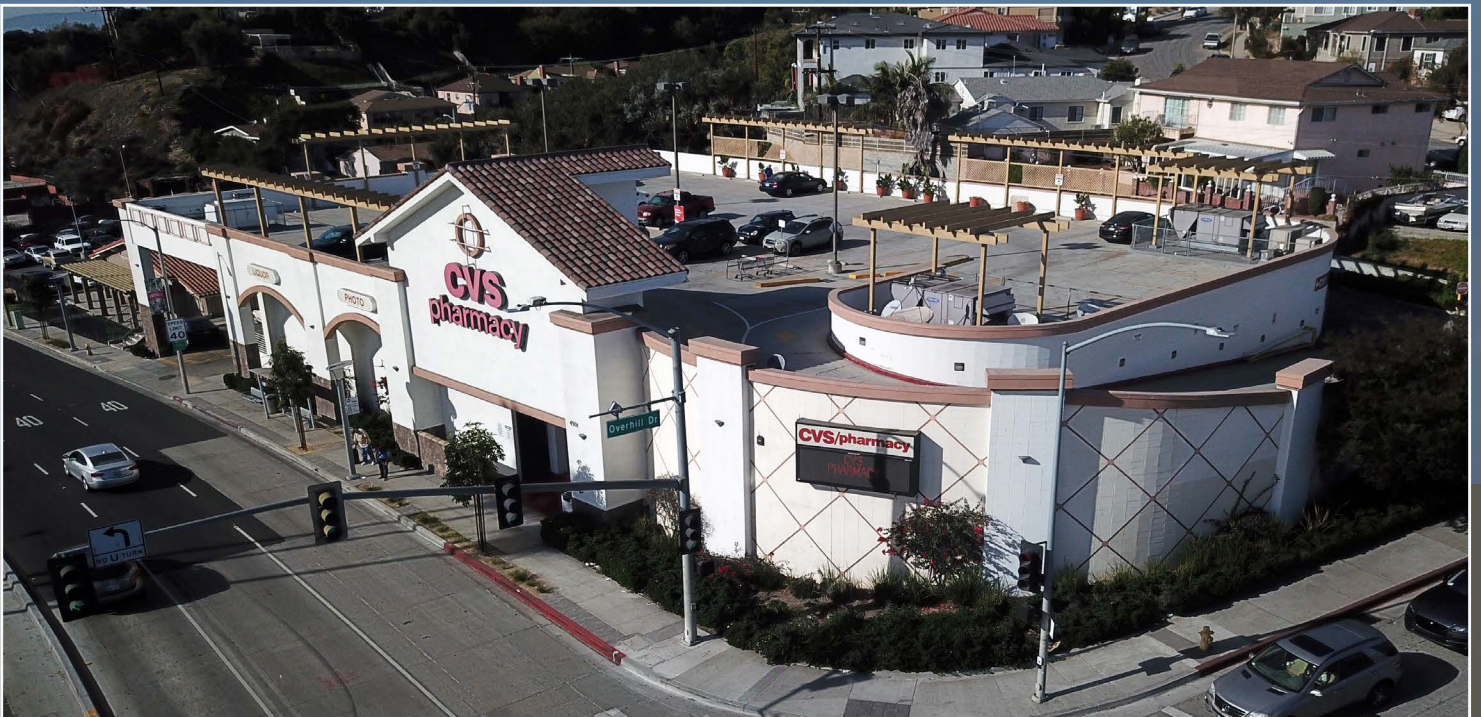




## EXCLUSIVELY LISTED INVESTMENT OFFERING LOS ANGELES, CALIFORNIA



4501 WEST SLAUSON AVENUE | LOS ANGELES, CA 90043

**CVS/pharmacy®**



*Presented By:*

**JASON STUART PONGSRIKUL**

Managing Principal

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## Property Overview



**4501 WEST SLAUSON AVENUE  
LOS ANGELES, CA 90043**

**Year Built:** 2002

**Lot Size:** 33,880 Square Feet

**Building Size:** 16,457 Square Feet

## 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 10% IN 2023

The lease allows for approximately ten percent (10%) increases every five years in the initial term and in the options. Rent increases to \$398,840 in July of 2023. Please see rent schedule on Page 3.

### 10.5 YEARS REMAINING WITH OPTIONS

This CVS lease has 10.5 years remaining before the five (5 year) options commence in July of 2028.

### VERY DENSE INFILL LOS ANGELES REAL ESTATE

Exceptional infill real estate, located just 5 miles from Los Angeles International Airport (LAX) and 9 miles from Downtown Los Angeles. There are approximately 23,394 residents in a one-mile radius, 284,338 in a three-mile radius and over 1,000,000 residents in a five-mile radius.

### HIGH TRAFFIC INTERSECTION

This property is located at the northwest corner of West Slauson Avenue (41,689 cars per day) and Overhill Drive (11,490 cars per day) with a total traffic count of approximately 53,179 cars per day. The store is located about two miles directly east from Interstate 405 (334,000 vehicles daily) at the West Slauson Avenue exit.

### NEAR NEW LOS ANGELES RAMS/CHARGERS NFL STADIUM DEVELOPMENT

The Los Angeles Stadium and Entertainment District (formerly the Hollywood Park Racetrack) is an 298 acre project currently under construction located two miles from Interstate 405 and four miles from LAX. Anchoring this district is a 70,000-seat stadium, the future shared home of the Los Angeles Chargers and Los Angeles Rams. The stadium will host sporting events including the Super Bowl and the Opening and Closing ceremonies of the 2028 Olympics being held in Los Angeles, as well as major concerts and other entertainment year-round. Plans for this district include:

- 70,000-seat (expandable to 100,000) open air stadium
- 6,000-seat performing arts venue
- 780,000 SF of office space, 890,000 SF of retail space
- 300 hotel rooms
- 2,500 modern residences
- ±25 acres of public parks, open space, pedestrian walkways and bicycle paths
- Family and fine dining
- Event, conference and meeting space

### SIGNIFICANT LOS ANGELES LANDMARKS; DISTANCES FROM SUBJECT PROPERTY

- LA STADIUM & ENTERTAINMENT DISTRICT - ±4 miles SE.
- LOS ANGELES INTERNATIONAL AIRPORT - ±5 miles SE.
- UNIVERSITY OF SOUTHERN CALIFORNIA - ±5 miles NE.
- LA BREA TAR PITS - ±6 miles N
- STAPLES CENTER - ±8 miles NE
- HOLLYWOOD - ±8 miles N
- DOWNTOWN LOS ANGELES - ±9 miles NE.
- UNIVERSITY OF CALIFORNIA LOS ANGELES - ±10 miles NW.
- DODGER STADIUM - ±11 miles NE
- THE GETTY MUSEUM - ±12 miles NW
- DISNEYLAND RESORT - ±35 miles SE

## Lease Overview

### Tenant:

**CVS PHARMACY, INC.** (NYSE: CVS)

### Landlord Income:

**CORPORATE GUARANTEE**

### Credit Rating:

**INVESTMENT GRADE, BBB+ (S&P)**

### Lease Type:

**NET LEASED**

### Lease Term:

**10.5 YEARS REMAINING WITH FIVE (5-YEAR) OPTIONS TO FOLLOW**

### Lease Commencement:

**JULY 9, 2003**

### Next Option Begins:

**JULY 8, 2028**

## Location Overview

Los Angeles is located in Southern California adjacent to the Pacific Ocean with a population of about 4,000,000 residents. The County of Los Angeles is the most populated county in the United States with a gross domestic metropolitan product ranked third worldwide with approximately \$900 billion annually. Los Angeles is also known as the entertainment and tourist capital of the world with over 47.3 million visitors to the area in 2016.

## Pricing

**Price: \$8,057,377**

**CAP Rate: 4.50% CAP**

**Price/SF: \$489.60**

**Monthly Income: \$30,215**

**Annual Income: \$362,582**

## Building

**Building Square Footage: 16,457**

**Land Square Footage: 33,880**

**Rent/Square Foot: \$22.03**

**Year Built: 2002**

## Rent Schedule

TERM	DATES	YEARS	RENT
Initial Term	7/9/2013 - 7/ 8/2023	11-20	\$362,582
Initial Term	7/9/2023 - 7/ 8/2028	21-25	\$398,840
Option 1	7/9/2028 - 7/ 8/2033	26-30	\$438,724
Option 2	7/9/2033 - 7/ 8/2038	31-35	\$482,596
Option 3	7/9/2038 - 7/ 8/2043	36-40	\$530,856
Option 4	7/9/2043 - 7/ 8/2048	41-45	\$583,941
Option 5	7/9/2048 - 7/ 8/2053	46-50	\$642,335

## LOS ANGELES, CA







## Location Aerials







## Property Photos







## Property Photos





## 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.

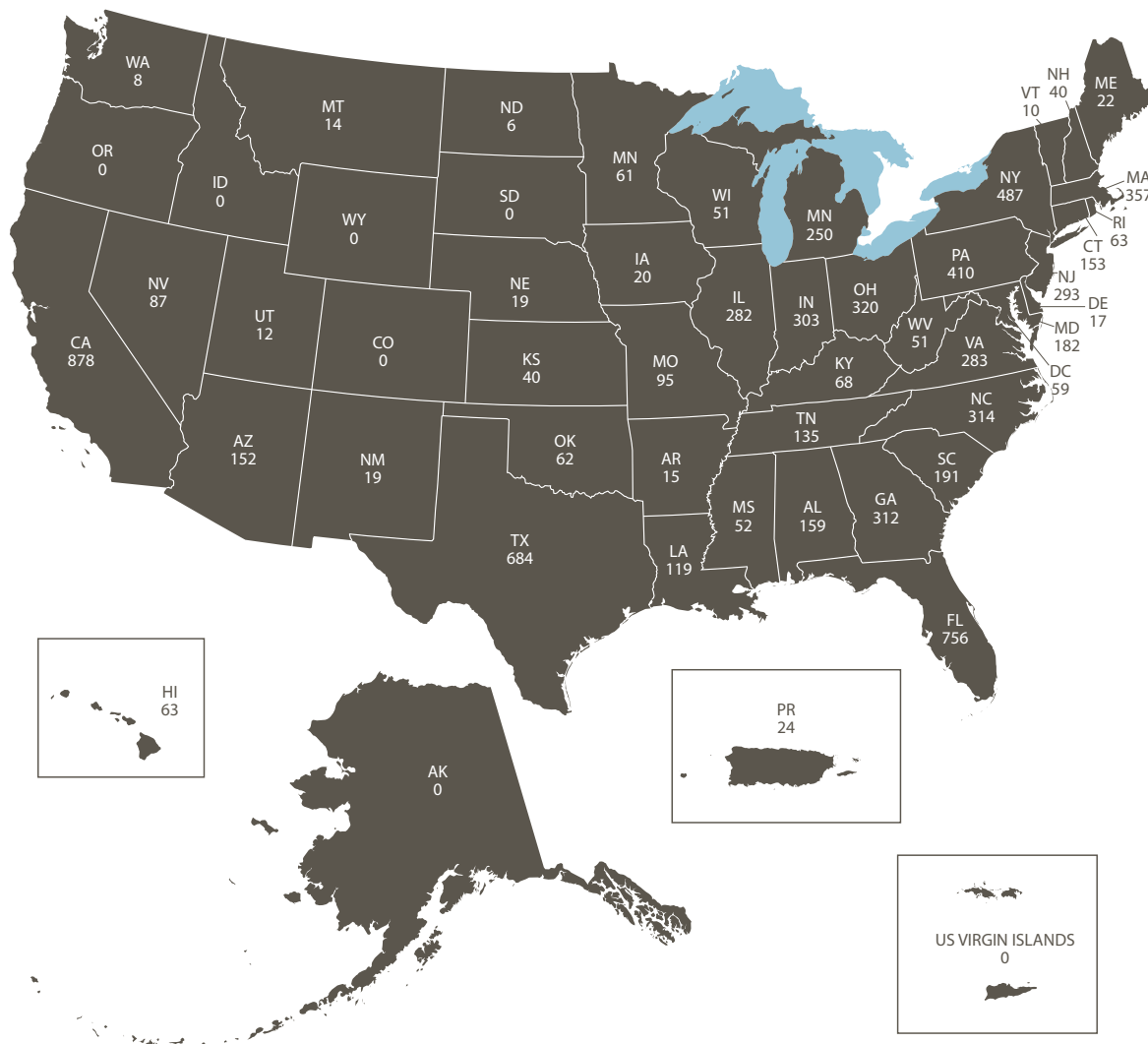
\*CVS company information received from CVS investor relations.

TENANT PROFILE	
<b>Guarantor:</b>	CVS Pharmacy, Inc.
<b>Ownership:</b>	Public
<b>Stock Symbol (NASDAQ):</b>	CVS
<b>Credit Rating (S&amp;P):</b>	BBB+
<b>Business:</b>	Retail Pharmacy
<b>Locations:</b>	7,998
<b>Annual Revenue:</b>	\$153 Billion
<b>Net Worth:</b>	\$37.2 Billion
<b>Headquarters:</b>	Woonsocket, RI
<b>Website:</b>	www.cvshealth.com





## CVS/pharmacy® Location by State



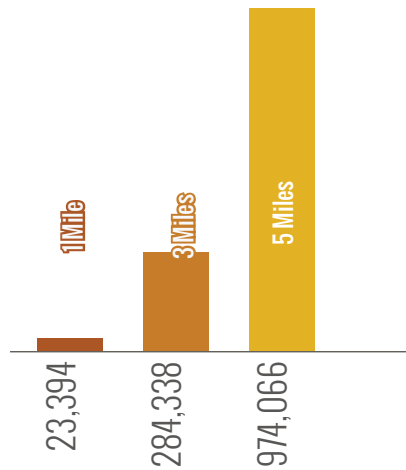
**Total 7,998**



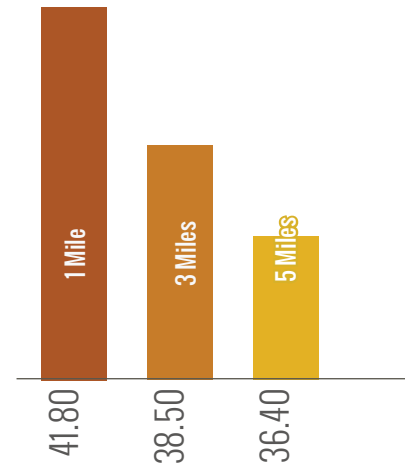


## Demographic Snapshot | 2017

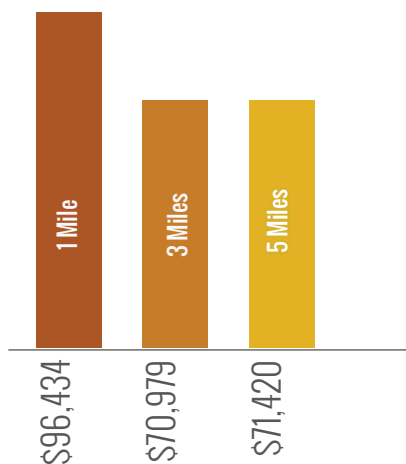
### Total Population



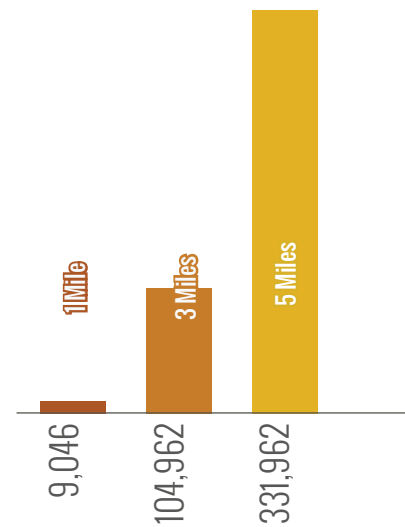
### Average Age



### Average Household Income



### Total Households



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.

Buyer and their representatives understands that CVS tenant information was gathered by sources deemed to be reliable including CVS public quarterly and annual reports. Demographic information was provided by Nielsen Information Systems.

By accepting this package, buyer and their representatives must verify the information and bears all risk for any inaccuracies. © 2018 Pharma Property Group.





## Investment Property Recap

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**Lot Size:** 33,880 Square Feet

**Building Size:** 16,457 Square Feet

## Lease Overview

**Tenant:**

CVS Pharmacy, Inc. (NYSE: CVS)

**Landlord Income:**

Corporate Guarantee

**Credit Rating:**

Investment Grade, BBB+ (S&P)

**Lease Type:**

Net leased.

**Lease Term:**

10.5 years remaining with five (5 year) options to follow

**Next Option Begins:**

July 9, 2028

## Pricing

**Asking Price:**  
\$8,057,377

**Asking CAP Rate:**  
4.50%

**Monthly Income:**  
\$30,215

**Annual Income:**  
\$362,582





**PHARMA PROPERTY GROUP**  
DRUGSTORE REAL ESTATE INVESTMENT SPECIALISTS

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Managing Principal

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CA DRE Lic. #01918332

## Offering Memorandum



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**CVS/pharmacy®**

