



CVS/PHARMACY | ABSOLUTE NNN LEASED OFFERING

311 S MOUNTAIN AVE, UPLAND, CA 91786

OFFERING MEMORANDUM Presented By:

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INVESTMENT OVERVIEW

This is a rare CVS/pharmacy absolute net leased offering in Upland, California. The lease calls for zero landlord obligations with ten 5 year options. The asset is well situated on a major commercial thoroughfare and is nearby Mountain Square Shopping Center with national retailers including The Home Depot, Staples, and Party City.



INVESTMENT HIGHLIGHTS

CVS/PHARMACY ABSOLUTE NNN LEASE

ZERO LANDLORD OBLIGATIONS

S&P RATED BBB CREDIT INVESTMENT GRADE - NYSE: CVS

WELL SITUATED ON A MAJOR COMMERCIAL THOROUGHFARE

SURROUNDED BY NATIONAL RETAILERS INCLUDING
MICHAEL'S, THE HOME DEPOT, AND DUNKIN DONUTS

OFFERING SPECIFICATIONS

PRICE \$8,947,639

CAP RATE 5.25%

NET OPERATING INCOME \$469,751

SQUARE-FOOTAGE 23,000

LOT SIZE 2.39 AC

YEAR BUILT 1977

FINANCIAL SUMMARY

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311 S MOUNTAIN AVE, UPLAND, CA 91786

\$8,947,639

5.25% CAP

FEE SIMPLE OWNERSHIP

SUMMARY

TENANT NAME	CVS/pharmacy
SQUARE FOOTAGE	23,000
LEASE BEGINS	12/31/2009
LEASE ENDS	12/31/2029
ANNUAL RENT	\$469,751
OPTIONS	TEN, 5 YEAR
INCREASES	FMV AT OPTIONS



TENANT OVERVIEW



CVS/Pharmacy

CVS Caremark Corporation (NYSE: CVS) is an integrated pharmacy services provider, combining a pharmaceutical service company with a U.S. pharmacy chain. CVS Caremark provides pharmacy services through its over 9,700 CVS/Pharmacy stores its pharmacy benefit management, mail order and specialty pharmacy division, (Caremark Pharmacy Services), its retail-based health clinic subsidiary (MinuteClinic) and its online pharmacy (CVS.com). CVS Caremark Corporation is chartered in Delaware and is headquartered in Woonsocket, Rhode Island. The pharmacy services business is headquartered in Nashville, Tennessee. As the retail pharmacy division of CVS Health, it ranks as the 7th largest U.S. corporation according to Fortune 500 in 2016.

CVS Caremark has two operating segments: CVS/Pharmacy and Caremark Pharmacy Services. CVS Pharmacy same store prescription volumes rose by 3.6 percent in 2016, with same store pharmacy sales up 3.2 percent. With front store same store sales declining by 1.5 percent, total same store sales increased by 1.9 percent. CVS Pharmacy locations now fill more than 1 billion prescriptions annually and have captured a 23.8 percent share of U.S. retail prescriptions. Size, scale, and expertise matter in health care.

CVS experienced strong organic prescription growth across the enterprise in 2016, augmented by the Omnicare and Target acquisitions. Nearly 1,700 pharmacies expanded their retail footprint by more than 20 percent. It also gave CVS a presence in new regions such as Seattle, Denver, Portland, and Salt Lake City. They have successfully completed the integration and are now focused on converting more of Target's 30 million weekly guests into CVS Pharmacy customers.

As of December 31, 2016, the Retail/LTC Segment included 9,709 retail locations (of which 7,980 were stores that operated a pharmacy and 1,674 were pharmacies located within Target Corporation ("Target"). The retail locations are in 49 states and the District of Columbia. With the addition of the Target pharmacies, they currently operate in all of the top 100 United States drugstore markets. The pharmacies within Target stores sell prescription drugs and over-the-counter drugs that are required to be held behind the counter. Existing retail stores range in size from approximately 5,000 to 30,000 square feet. Most new stores range in size from approximately 11,000 to 15,000 square feet and typically include a drive-thru pharmacy. The pharmacies within Target stores range in size from approximately 450 to 1,100 square feet. During 2016, their Retail/LTC Segment filled approximately 1.2 billion prescriptions (counting 90-day prescriptions as three prescriptions) and held approximately 23.8% of the United States retail pharmacy market.



9,700+
LOCATIONS

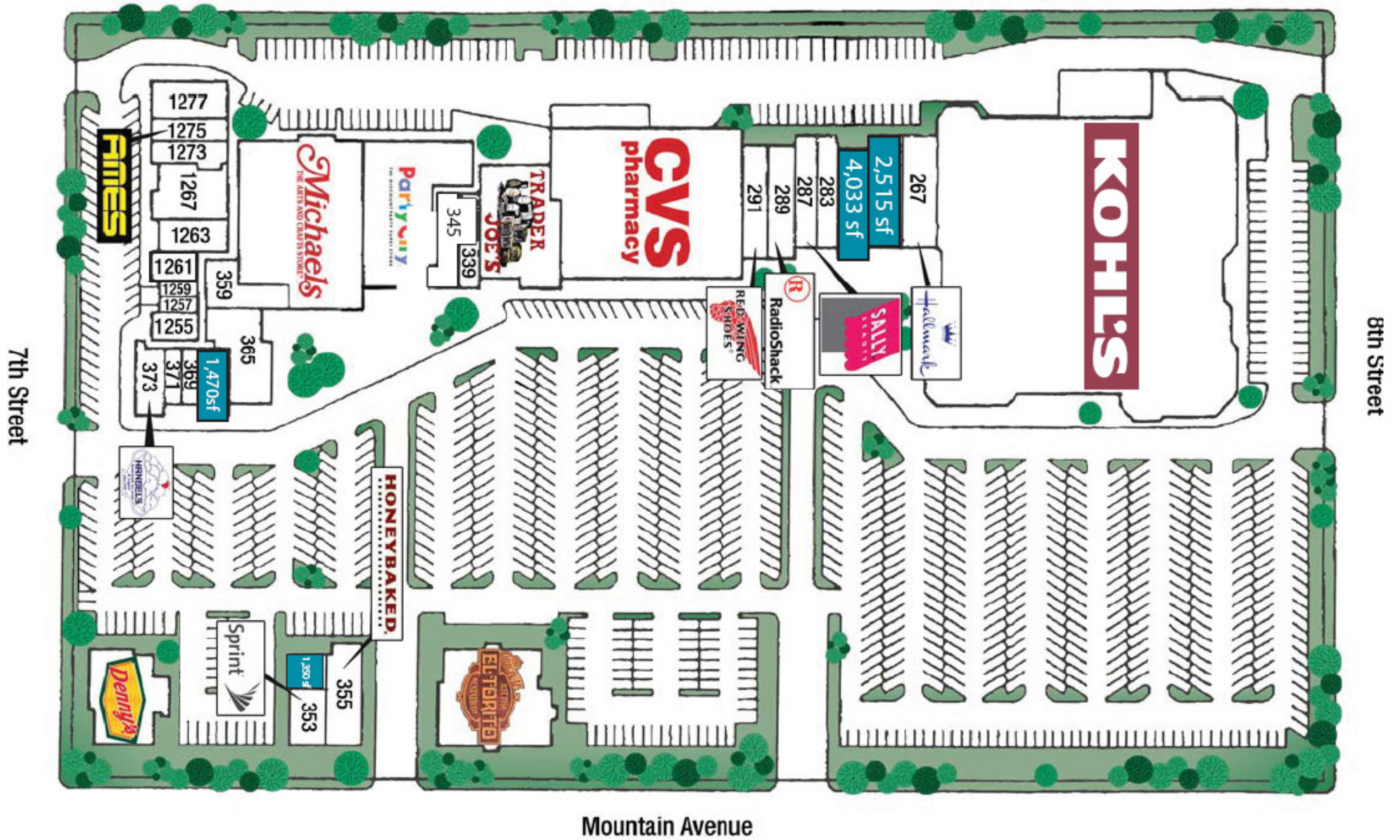


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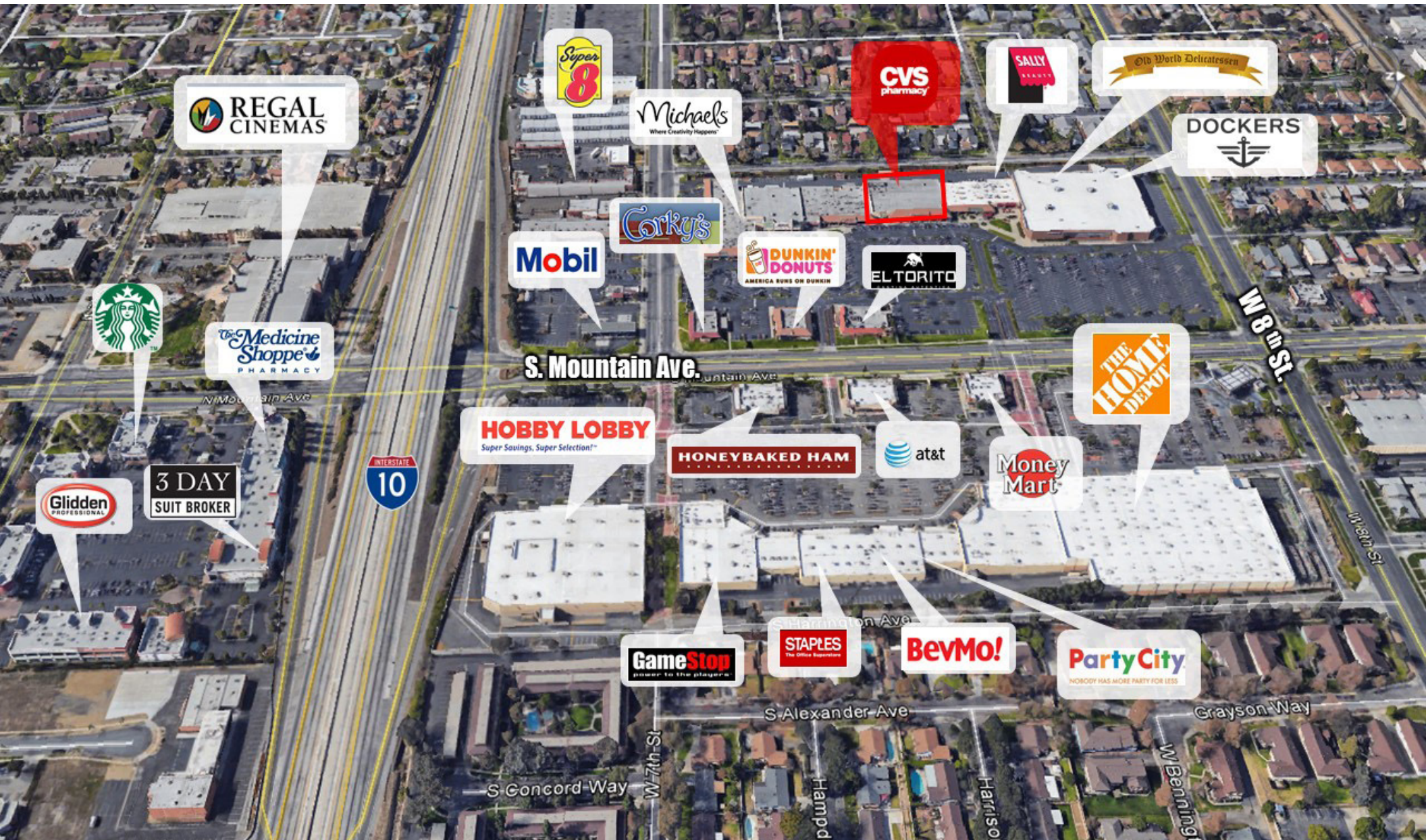


80,000
EMPLOYEES

SITE PLAN



LOCATION AERIAL



PROPERTY PHOTOS

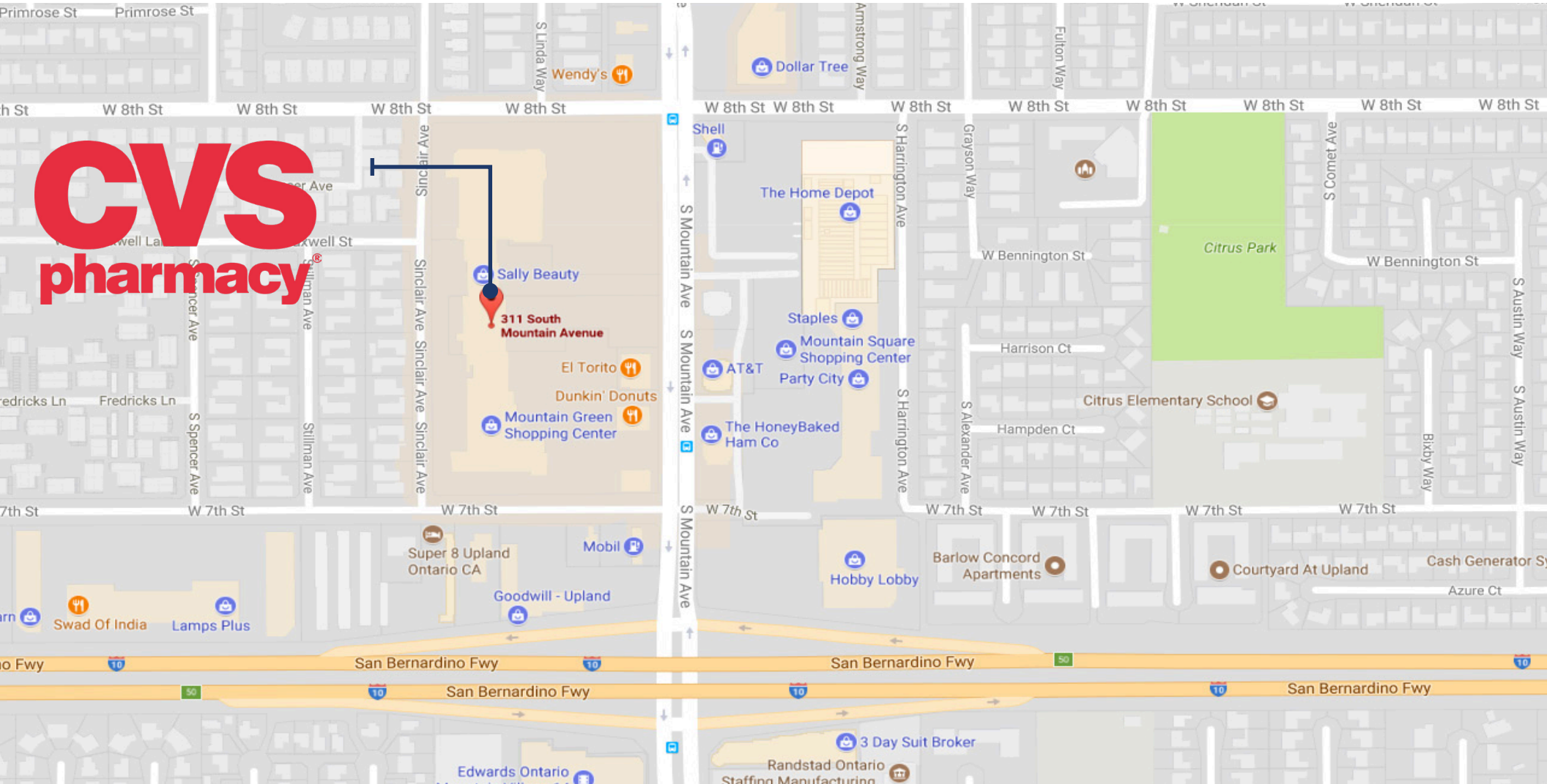


PROPERTY AERIAL



DEMOGRAPHICS

	1 MILE	2 MILES	3 MILES
TOTAL POPULATION	24,224	82,635	177,311
NUMBER OF HOUSEHOLDS	8,204	26,135	52,583
AVERAGE HOUSEHOLD INCOME	\$59,877	\$64,999	\$68,776
MEDIAN AGE	31.6	32.5	32.4



AREA OVERVIEW

UPLAND, CALIFORNIA

Upland is a city in San Bernardino County, California. The municipality is located at an elevation of 1,242 feet (379 m). As of the 2010 census, the city had a population of 73,732, up from 68,393 at the 2000 census. It was incorporated on May 15, 1906, after previously being named North Ontario. Upland is located at the foot of the highest part of the San Gabriel Mountains. The city is part of the Inland Empire, a metropolitan area situated directly east of the Los Angeles metropolitan area. Interstate 10 runs along Upland’s boundary with Ontario, and connects Upland with Los Angeles to the west and San Bernardino the east. The east-west running Interstate 210 runs through the northern part of Upland, connecting to Pasadena to the west and San Bernardino to the east.



DEMOGRAPHICS	1 MILE	2 MILES	3 MILES
TOTAL POPULATION	24,224	82,635	177,311
TOTAL NUMBER HOUSEHOLDS	8,204	26,135	52,583
TOTAL NO. PERSONS PER HOUSEHOLD	3	3.2	3.4
AVERAGE HOUSE VALUE	\$358,912	\$390,340	\$407,476
AVERAGE HOUSEHOLD INCOME	\$59,877	\$64,999	\$68,776
MEDIAN AGE	31.6	32.5	32.4
MEDIAN AGE - MALE	30.6	31.6	31.7
MEDIAN AGE - FEMALE	32.6	33.3	33.1
POPULATION WHITE	11,236	42,149	90,307
POPULATION BLACK	1,984	4,589	9,605
POPULATION HISPANIC	12,807	44,619	97,646
POPULATION ASIAN	2,254	5,874	12,278
POPULATION PACIFIC ISLANDER	2	65	242
POPULATION AMERICAN INDIAN	642	1,509	2,745
POPULATION OTHER	6,510	23,068	51,059



UPLAND | CALIFORNIA



The Kase Group

WWW.THEKASEGROUP.COM

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