

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES  
OFFERING MEMORANDUM



**CVS**  
**pharmacy**

1001 Norton Rd  
Galloway, OH 43119






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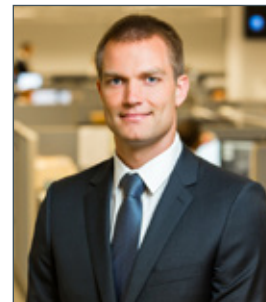
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**BROKER OF RECORD**

LAURENCE BERGMAN

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- » Recently Extended Lease – **CVS just signed a 20-year lease extension**, proving this store is a top performer
- » **Long Term Lease** - 20 years of guaranteed income remaining, plus five (5) five (5) year options
- » **Extremely rare, low price point** – One of the few 20-year CVS acquirable for less than \$2,700,000. CVS is paying only \$10.87 PSF
- » Strong Demographics – **5-mile radius has over 174,000 residents**
- » Prototype Store Format – **Prototype store format with drive-thru**
- » NN Lease – **Landlord is only responsibilities are roof and structure.** The roof was replaced in 2018 and comes with 20 year warranty
- » Excellent Visibility and Access – Two points of ingress at the signalized intersection **Norton Rd and Hall Road that has over 25,000 VPD**
- » Investment Grade Credit Tenant – **CVS Health (S&P Rated BBB+, Moody's Baa1)**
- » CVS Health ranked **#7 in 2017 on the Fortune 500 list**





**\*NEW ROOF INSTALLED  
JUNE 2018**



## Investment Summary

» <b>PROPERTY ADDRESS</b>	1001 Norton Rd Galloway, OH 43119
» <b>LIST PRICE</b>	\$2,586,756
» <b>CAP RATE</b>	5.30%
» <b>TOTAL BUILDING AREA</b>	±12,608 SF
» <b>TOTAL LAND AREA</b>	±1.29 AC (56,192 SF)
» <b>YEAR BUILT*</b>	1995
» <b>APN</b>	010-232091
» <b>PARKING SPACES</b>	±48 Surface Spaces
» <b>PARKING RATIO</b>	3.81 : 1,000 SF

\*New roof installed June 2018

## Annualized Operating Data

	Annual Rent	Monthly Rent	Rent/PSF	Cap Rate
5/1/2018 - 4/30/2038	\$137,098.08	\$11,424.84	\$10.87	5.30%
Option 1	\$140,525.04	\$11,710.42	\$11.15	5.43%
Option 2	\$144,038.04	\$12,003.17	\$11.42	5.57%
Option 3	\$147,639.00	\$12,303.25	\$11.71	5.71%
Option 4	\$151,330.08	\$12,610.84	\$12.00	5.85%
Option 5	\$155,113.08	\$12,926.09	\$12.30	6.00%

## Tenant Summary

Tenant Trade Name	CVS
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	20 Years
Lease Commencement Date	3/14/96
Rent Commencement Date	5/1/18
Lease Expiration Date	4/30/38
Term Remaining on Lease	±19.79 Years
Increase	In Options
Options	Five, 5-Year Options

# Tenant Overview



» <b>Company Name</b> CVS	» <b>Industry</b> Drug Store
» <b>Parent Company</b> CVS Health	» <b>Headquarters</b> Woonsocket, RH
» <b>Year Founded</b> 1963	» <b>Website</b> www.cvs.com

CVS Health Corporation, together with its subsidiaries, provides integrated pharmacy health care services. It operates through Pharmacy Services and Retail/LTC segments. The Pharmacy Services segment offers pharmacy benefit management solutions, such as plan design and administration, formulary management, Medicare Part D services, mail order and specialty pharmacy services, retail pharmacy network management services, prescription management systems, clinical services, disease management programs, and medical pharmacy management services. The Retail/LTC segment sells prescription drugs, over-the-counter drugs, beauty products and cosmetics, personal care products, convenience foods, seasonal merchandise, and greeting cards, and provides photofinishing services.

## STRATEGY

CVS continues to evolve from being a general pharmacy store, expanding into more specialized fields of the fast-growing healthcare market. The company's Retail Pharmacy Store Development plan, which focuses on entering new markets, adding stores in existing markets, and relocating stores to more convenient sites has been essential for business growth and in keeping up with competitors.

## GEOGRAPHIC OUTREACH

CVS drugstores span across 49 U.S. states, the District of Columbia, Brazil, and Puerto Rico. The company also operates Longs Drugs banner in California, Hawaii, Nevada, and Arizona. Around 1,000 store locations throughout 31 states and in Washington D.C. also has Minute Clinics.

**±9,600**  
No. of Locations

**±240,000**  
No. of Employees

**\$153.3 B**  
Revenue

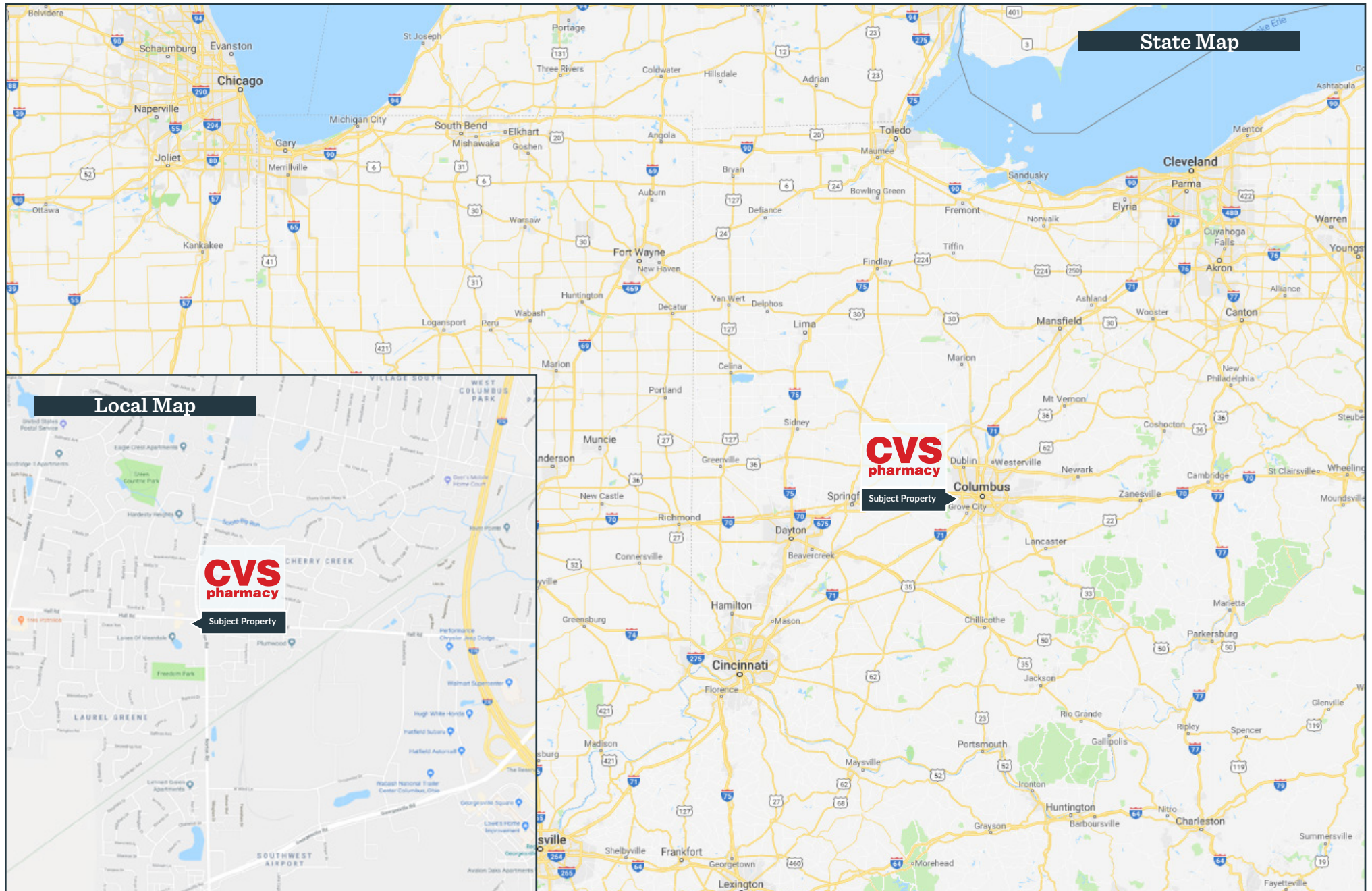


Tenant:	OHIO CVS STORES, L.L.C., AN Ohio limited liability company
Guarantor:	CVS HEALTH CORPORATION, a Delaware corporation
Corporate Address:	One CVS Drive Woonsocket, RI 02895
CVS Store No.	4621
Building Size:	12,608
Original Date of Lease:	Februzry 16, 1995
Rent Commencement:	May 1,2018
Lease Commencement:	May 1, 2018
Lease Expiration:	April 30, 2018
Original Lease Term:	Twenty Years
Current Rent:	\$137,098.08
Renewal Options:	Five (5) extension periods of five (5) years each.  Option 1: \$137,098.08 Option 2: \$140,038.04 Option 3: \$147,639.00 Options 4: 151,330.08 Option 5: \$155,113.08
Required Advance Notice of Exercise of Renewal Options:	Six (6) months prior to the expiration of the then-current term.
Repairs and Maintenance:	This lease is a double net lease, the landlord is responsible for the roof and structure of the premises. The tenant is responsible for all other expenses*
Real Estate Taxes:	Tenant agrees to reimburse Landlord for any and all real estate taxes/
Insurance:	Tenant shall maintain All-Risk and General Liability insurance for the Building and name the Landlord, Tenant, and Lender as additional insured parties.*
Utilities:	Tenant to pay for all utilities consumed by it in the Premises.*
Tenant Assignment and Subletting:	Tenant shall have the right to assign the Lease, or to sublet the whole or any part of the Premises provided Landlord's consent.
Right of First Refusal:	During any Extension Period, and will respond within Fifteen (15) days.











# Area Overview

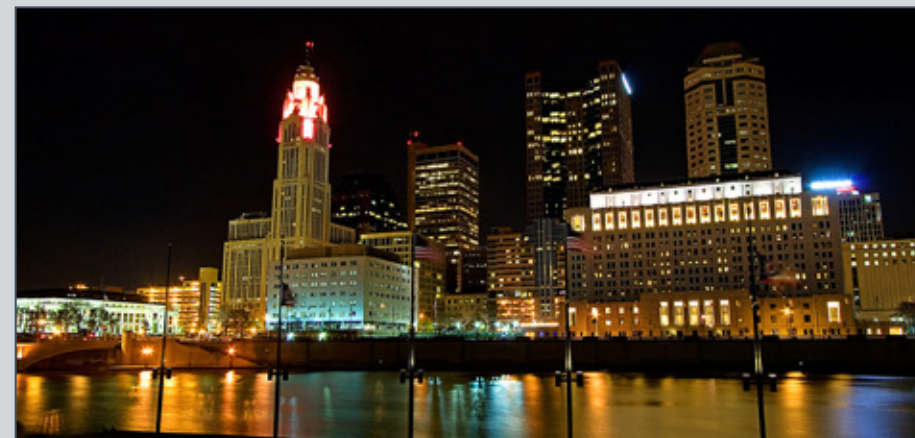
## Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2023 Projection	22,621	78,614	184,412
2018 Estimate	21,672	75,197	174,849
2010 Census	19,625	69,544	162,552
Growth 2018-2023	4.38%	4.54%	5.47%
Growth 2010-2018	10.43%	8.13%	7.57%
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2023 Projection	8,644	30,299	70,653
2018 Estimate	8,299	28,946	66,989
2010 Census	7,596	26,886	62,706
Growth 2018-2023	4.16%	4.68%	5.47%
Growth 2010-2018	9.25%	7.66%	6.83%
INCOME	1 - MILE	3 - MILE	5 - MILE
2018 Est. Average Household Income	\$58,152	\$62,667	\$64,206



## Galloway, Ohio

Galloway is an unincorporated community west of the city of Columbus in southern Prairie Township, Franklin County, Ohio. The 43119 ZIP Code, however (which carries a Galloway mailing address) covers a significant portion of rural and suburban western Franklin County, as well as parts of western Columbus, and locals might use the name Galloway to refer to any location in the area roughly bounded by I-70, Galloway Rd, Alkire Rd, and Big Darby Creek; such a location is seldom in the community of Galloway proper.



## The Columbus Region

The 11-county Columbus Region is one of the most dynamic and diverse metropolitan regions in the U.S. Centrally located between Chicago and New York, the Columbus Region boasts the greatest market access of any major metro—with 46 percent of the U.S. population within a 10-hour drive.

Columbus is one of the country's growth leaders and No. 1 among the Midwest's 10 largest metros in multiple categories:



**2.1** MILLION  
PEOPLE

**1.1%** ANNUAL  
GROWTH RATE

**14** FORTUNE 1000  
HEADQUARTERS—  
**5** FORTUNE 500

MORE THAN  
**302**  
FOREIGN-OWNED  
ESTABLISHMENTS

**8<sup>TH</sup>** HIGHEST  
MILLENNIAL  
CONCENTRATION  
IN THE U.S.

**52** COLLEGE AND  
UNIVERSITY  
CAMPUSES

**DIVERSIFIED ECONOMY—**  
NO INDUSTRY  
ACCOUNTS FOR MORE  
THAN 18% OF EMPLOYMENT



## Columbus, Ohio MSA

According to the U.S. Census Bureau, the Columbus, Ohio, metropolitan statistical area is the metropolitan area centered on the U.S. city of Columbus, Ohio. includes the counties of Delaware, Fairfield, Franklin, Hocking, Licking, Madison, Morrow, Perry, Pickaway, and Union. It is the second largest metropolitan area in the state of Ohio, behind Greater Cincinnati. It is also one of the largest metropolitan areas in the Midwestern United States. It is part of the Great Lakes Megalopolis, containing an estimated 54 million people. It is also one of the fastest growing metro areas outside the Sun Belt.

### Public Sector

The public sector dominates the Central Ohio employment landscape, with the State of Ohio, The Ohio State University, and the United States Government accounting for an estimated 55,000 to 60,000 employees. When combined with Columbus City Schools, the City of Columbus, and Franklin County, the number swells to about 80,000 employees, making government jobs the area's largest employment sector.

### Financial Sector

The financial sector provides the second largest employment sector in Central Ohio. JPMorgan Chase is the area's largest financial sector employer, with Columbus-based insurance company Nationwide Insurance a close second. Also headquartered in Columbus is Huntington Bank, with significant presence by banks such as KeyBank, Fifth Third, PNC Financial Services, Park National Corporation, and Commerce National Bank.

### Manufacturing Sector

The manufacturing sector includes Honda, which operates their largest North American manufacturing complex in the Marysville area. Also in Marysville is Scotts Miracle-Gro Company, the makers of Miracle-Gro and various other soil and potting fertilizers. Located in downtown Columbus is AEP, which is one of the largest electric utility companies in the US.

### Retail Sector

The retail sector's biggest employer is clothing company L Brands. Retail brands within the L Brands corporate umbrella include Victoria's Secret, Bath & Body Works, La Senza, and Henri Bendel. Companies that have been spun off from L Brands that are still headquartered in Central Ohio include Abercrombie & Fitch, Lane Bryant, and Tween Brands, formerly Limited Too.



## Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **CVS** located at **1001 Norton Rd, Galloway, OH** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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