

OFFERING MEMORANDUM



SAN ANTONIO
TEXAS

CVS Guaranteed Lease
(Dark Store)



NNN DEAL
THE SINGLE TENANT RESOURCE

Marcus & Millichap



CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCB's or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

Marcus & Millichap is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation or its affiliates or subsidiaries, or any agent, product, service, or commercial listing of Marcus & Millichap, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

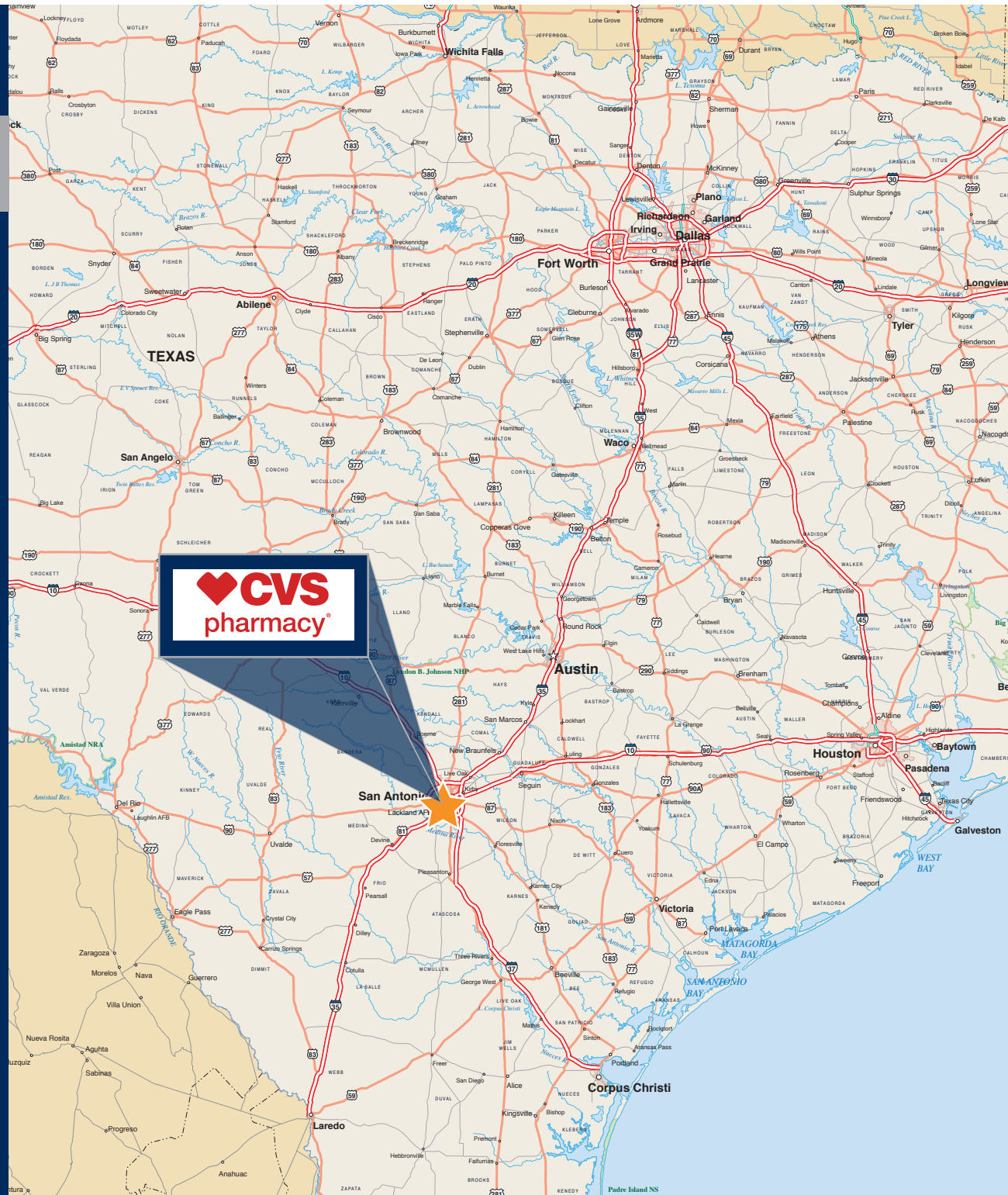
ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

Marcus & Millichap



TABLE OF CONTENTS

Investment Summary	1
Investment Highlights.....	2
Aerial Map	4
Tenant Summary.....	5
Site Plan	7
Area Map	8
Location Overview	10
Location Highlights.....	13
Demographics.....	14







INVESTMENT SUMMARY

7031 MARBACH RD, SAN ANTONIO, TX 78227

PRICE: \$7,570,000

CAP: 5.75%

RENT: \$435,226

OVERVIEW

Price	\$7,570,000
Gross Leasable Area (GLA)	14,600 SF
Lot Size (approx.)	1.69 Acres
Net Operating Income	\$435,226
CAP Rate	5.75%
Year Built / Renovated	2015

LEASE ABSTRACT

Lease Type	NNN
Lease Term Remaining	21.4 Years
Lease Start	7/16/2015
Lease Expiration	1/31/2041
Renewal Options	5x5
Increases	5% rent bumps during option periods (Dark unit)
Roof & Structure	Tenant Responsible

ANNUALIZED OPERATING DATA

Lease Term	Annual Rent
Current Term	\$435,226
Option 1	\$456,987
Option 2	\$479,836
Option 3	\$503,828
Option 4	\$529,019
Option 5	\$555,470



INVESTMENT HIGHLIGHTS

This 25 year true NNN lease offers a passive investor a corporate guaranteed CVS lease for the remainder of the base term (21.4 years).

Strategically located at the hard corner of West Military Drive and Marbach Road. This location serves as a strong future redevelopment opportunity, on the corner of a “main & main” location with strong visibility.

Built in 2015, this investment grade opportunity carries no landlord responsibilities, making it a truly passive investment opportunity with a strong and stable return. The Tenant vacated the premises April 2019. CVS is obligated to pay the remaining term of the base lease term.



**25 year NNN lease
with 21.4 years remaining
on base term**



**Features excellent visibility:
Daily traffic counts exceed
41,000 vehicles per day
passing directly in
front of the site**



**Newer construction,
built in 2015**



U.S. AIR FORCE

**1.3 miles from Lackland
Air Force Base, the largest
Air Force Base installation
in the Country**



**Located just 3-miles
from an Amazon
Fulfillment Center**



**Barriers to entry
due to both government
and infill presence**





INVESTMENT HIGHLIGHTS

- ◆ Corporate guaranteed lease for the remainder of the base term. (Dark unit)
- ◆ Excellent visibility for a future redevelopment opportunity
- ◆ Important strategic location across from Walgreens
- ◆ True hard-corner location with 41,000 cars per day at intersection
- ◆ San Antonio is the 7th most populous city in the country, and 2nd largest city in Texas
- ◆ Infill location with dense population (16,851 residents within one mile radius)
- ◆ True NNN lease with zero landlord responsibilities
- ◆ Guaranteed by CVS corporate (NYSE:CVS)



289,619

TOTAL
POPULATION
WITHIN 5-MILE
RADIUS



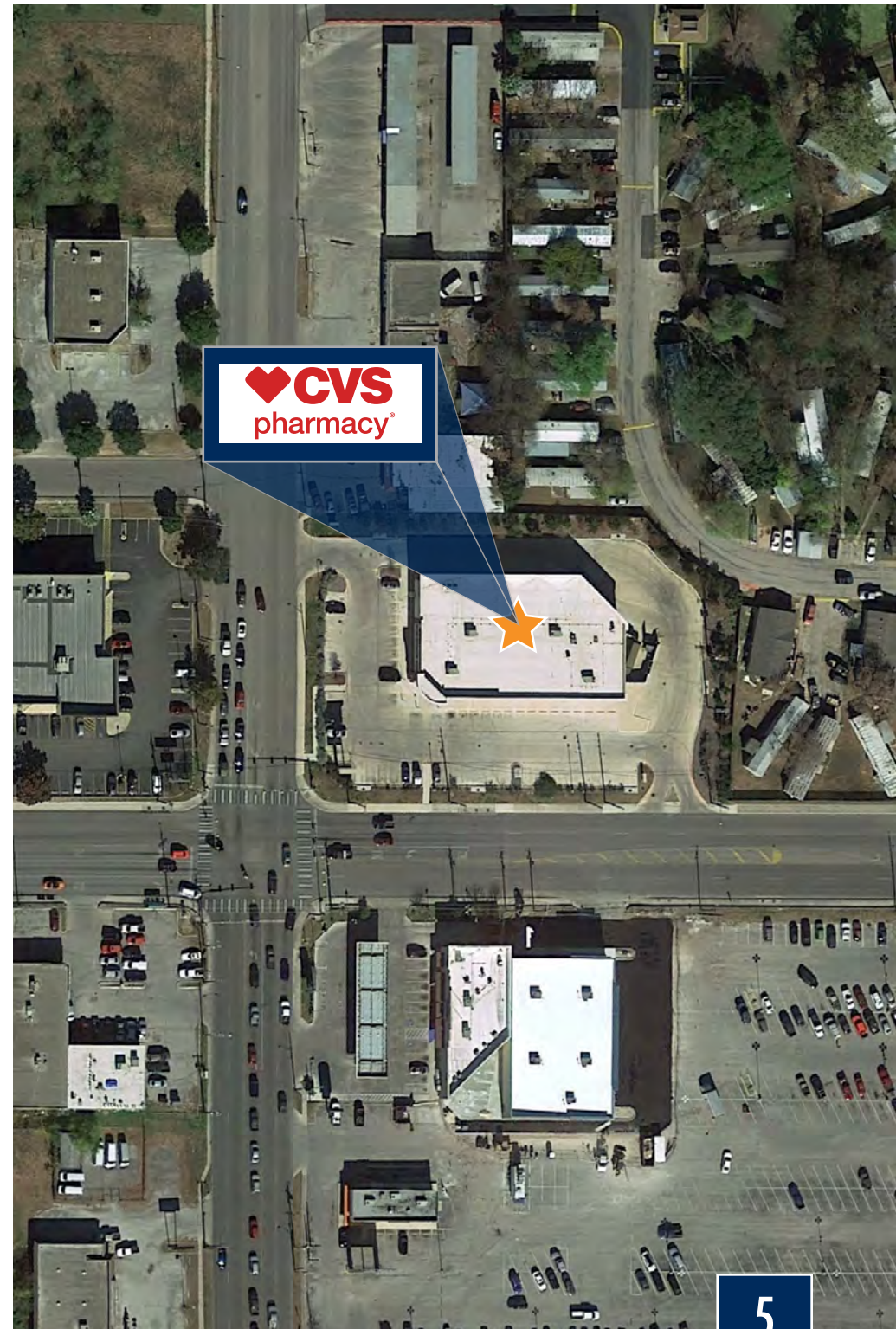
\$55,704

AVERAGE
HOUSEHOLD
INCOME WITHIN
7-MILE RADIUS



24,400 VPD - W MILITARY DRIVE

16,665 VPD - MARBACH ROAD





Matheson
(Air Separation Unit) USAF

U.S. AIR FORCE
Part of
Lackland AFB

 DRESS FOR LESS	
	 Old Country Store

bel
FURNITURE

San Antonio
Event Center

DOLLAR GENERAL

John Jay
High School

AutoZone

O'Reilly
AUTO PARTS

Domino's
Pizza

Walgreens

CVS
pharmacy

Anson Jones
Middle School

Sunnybrook
Christian Academy

MARBACH ROAD – 16,665 VPD

W MILITARY DR – 24,400 VPD

DQ

Check n Go

RENT-WHEEL
RENT-FIRE

Mary Hull
Elementary School

DOLLAR TREE

Chevron

Little Caesars

boost
mobile

FAMILY DOLLAR
my family, my family dollar

metroPCS
Permission to speak freely

Westwood Terrace
Elementary School

U.S. AIR FORCE
Lackland Air
Force Base
3.4 miles south
of site

Cable Elementary
School



TENANT SUMMARY

CVS Health Corporation is a Fortune 500® company (#7) and one of the nation's largest and most innovative health care providers. Together with its subsidiaries, the company provides integrated pharmacy health care services in 43 states across the U.S, the District of Columbia, and Puerto Rico and operates through two critical business segments; pharmacy services and retail pharmacy. What makes CVS unique among its competitors is the company's proprietary and fully integrated pharmacy benefit management system. The PBM system was created through the company's acquisition of the Caremark brand in 2007. This segment serves employers, insurance companies, unions, government employee groups, health plans, managed Medicaid plans and plans offered on public and private organizations, other sponsors of health benefit plans, and individuals under the CVS/caremark Pharmacy Services, Caremark, CarePlus CVS/pharmacy, RxAmerica, Accordant, SilverScript, Coram CVS/specialty, NovoLogix, and Navarro Health Services names. The retail pharmacy segment sells prescription drugs, over-the-counter drugs, beauty products and cosmetics, personal care products, convenience foods, seasonal merchandise, and greeting cards, as well as provides photo finishing services.

The Aetna logo, consisting of the word "aetna" in a white, lowercase, sans-serif font on a dark blue background.

CVS acquired Aetna for \$70 Billion. Aetna Inc. is one of the Nation's Leading Diversified Health Care Benefits Companies with a network that stretches across the Country / Globe. Pro Forma CVS / Aetna combined Annual Revenue is \$221 Billion.

The Fortune 500 logo, with "FORTUNE" in a small, all-caps, sans-serif font above the large, stylized number "500".

The Standard & Poor's logo, with "STANDARD" in a large, all-caps, serif font above "& POOR'S" in a smaller, all-caps, serif font.

S&P Investment Grade Credit Rating of "BBB" for the Parent Company. Parent Company currently #7 on the Fortune 500. The CVS / Aetna Merger, will create a Fortune #4 Company with more than \$18 Billion in Pro Forma EBITDA.

CVS PHARMACY



WOONSOCKET, RI

HEADQUARTERS

1964

FOUNDED

9,800

LOCATIONS

PUBLIC

OWNERSHIP

RETAIL DRUG
STORE

INDUSTRY

LARRY J.
MERLO

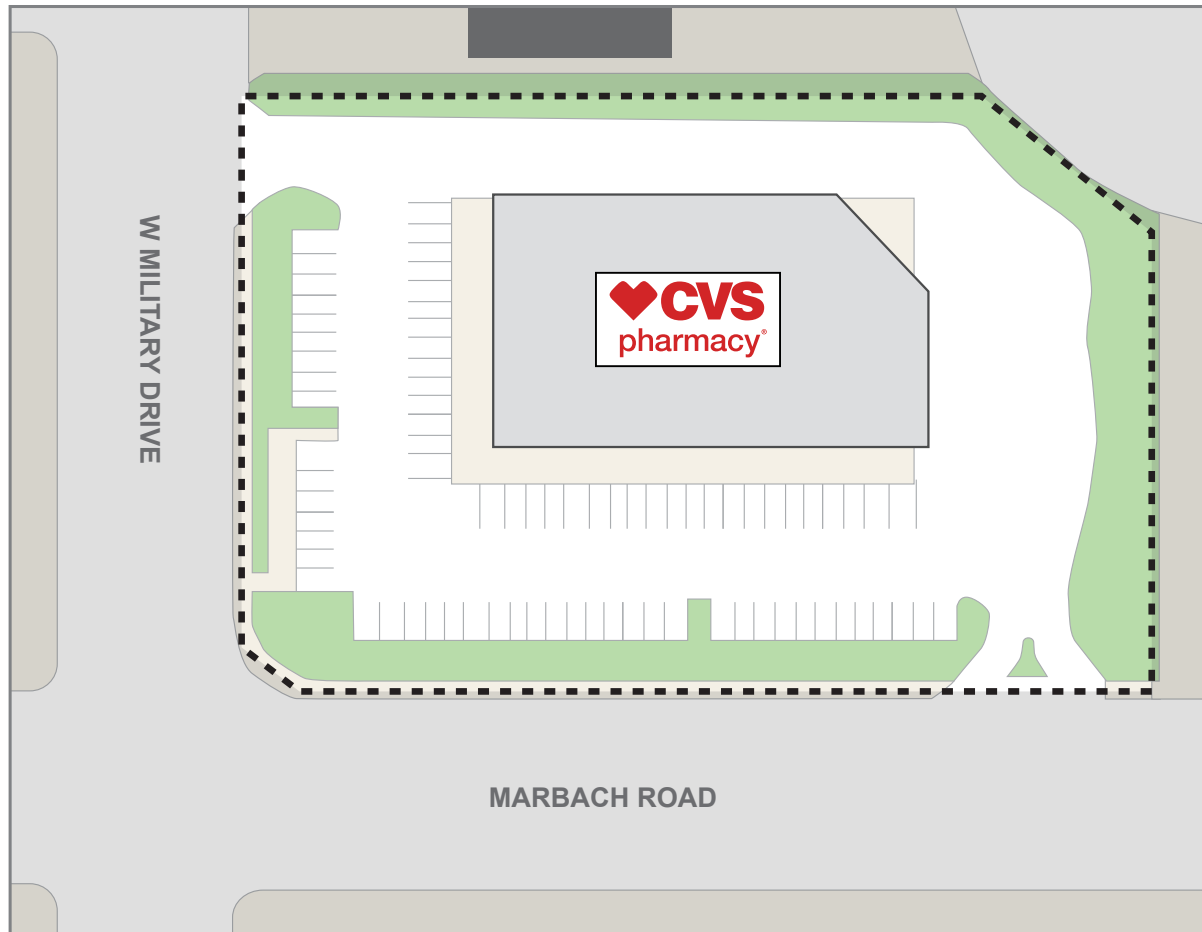
CEO

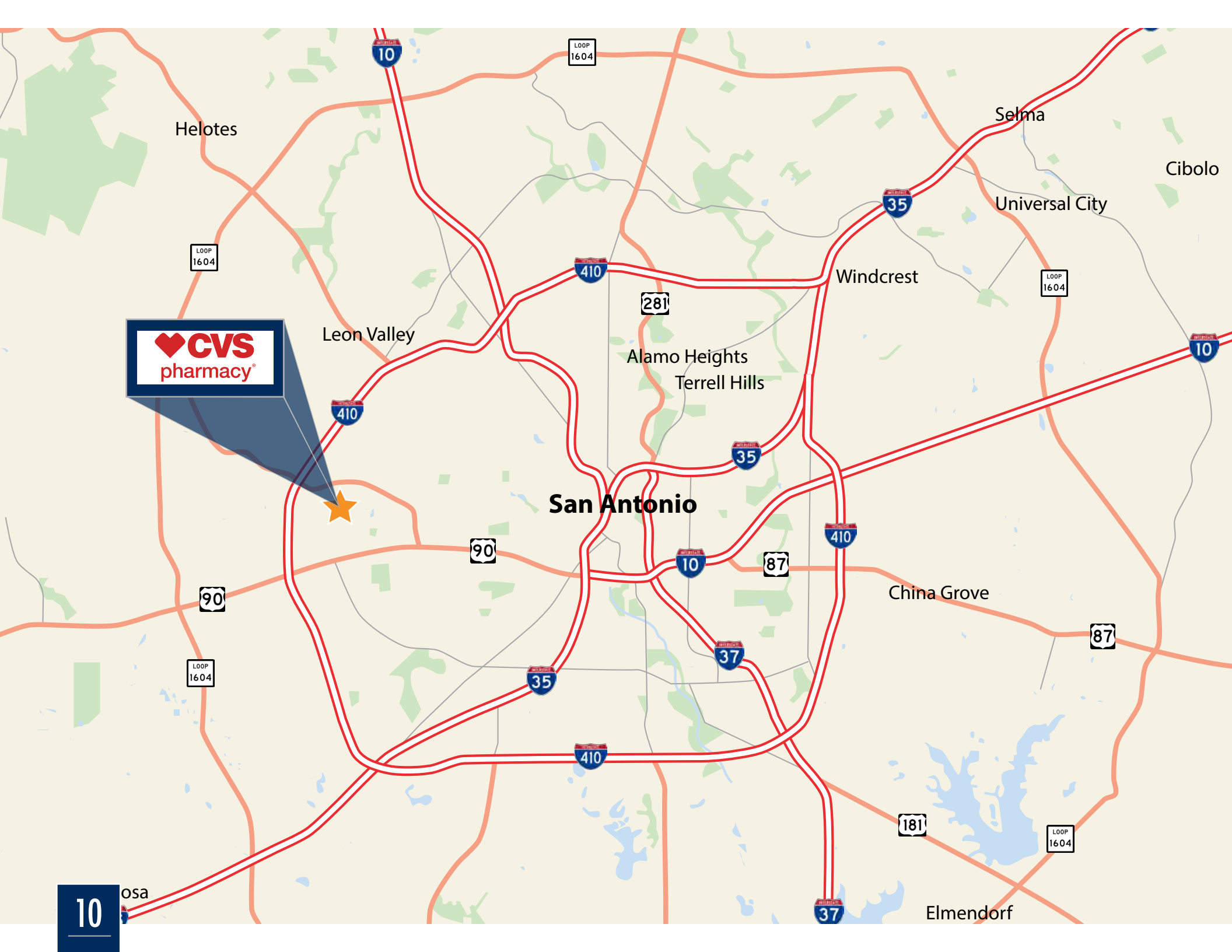
JONATHAN C.
ROBERTS

EVP/COO



SITE PLAN





Leon Valley

Alamo Heights
Terrell Hills

San Antonio

China Grove

Elmendorf

Located on the SWC of Marbach Rd & W. Military Dr, directly across the street from the subject property.

In this center is a Check 'N Go, Rent-A-Wheel/Rent-A-Tire and Dairy Queen.





LOCATION OVERVIEW

SAN ANTONIO, TEXAS

San Antonio is the seventh most populous city in the United States and the second most populous city in both Texas and the Southern United States. San Antonio's notable attraction includes the River Walk, the Tower of the Americas, SeaWorld, the Alamo Bowl, and Marriage Island. Commercial entertainment includes Six Flags Fiesta Texas and Morgan's Wonderland amusement parks. According to the San Antonio Convention and Visitors Bureau, the city is visited by about 32 million tourists a year. It is home to the five-time NBA champion San Antonio Spurs, and hosts the annual San Antonio Stock Show & Rodeo, one of the largest such events in the United States.

The U.S. Armed Forces have numerous facilities in and around San Antonio; Fort Sam Houston is the only one within the city limits. Lackland Air Force Base, Randolph Air Force Base, Lackland AFB/Kelly Field Annex, Camp Bullis, and Camp Stanley are outside the city limits. Kelly Air Force Base operated out of San Antonio until 2001, when the airfield was transferred to Lackland AFB. The remaining parts of the base were developed as Port San Antonio, an industrial/business park and aerospace complex. San Antonio is home to six Fortune 500 companies and the South Texas Medical Center, the only medical research and care provider in the South Texas region.

The subject site is most influenced by: Lackland Air Force Base is home to more than 120 Department of Defense and associate organizations, including the 37th Training Wing, the largest training wing in the U.S. Air Force. Lackland is the Air Force's only site for enlisted basic military training, and also offers professional and technical skills, and English language training for members of the U.S. Air Force, other military services, government agencies, and allies. Its four primary training functions graduate more than 86,000 students annually. In 2005, Lackland was recommended for joint basing for the three major installations around the city: Fort Sam Houston, Lackland AFB and Randolph AFB. In 2009, all 3 bases were included into Lackland AFB.

San Antonio has a diversified economy with a gross domestic product (GDP) of approximately \$96.8 billion. This ranks the city fourth in Texas and 38th in the United States. San Antonio's economy focuses primarily on military, health care, government-civil service, financial services, oil and gas, and tourism. Within the past twenty years, the city has become a significant location for American-based call centers and has added a sizable manufacturing sector centered around automobiles.

Located about 10 miles northwest of Downtown is South Texas Medical Center, a conglomerate of various hospitals, clinics, and research (Southwest Research Institute and Texas Biomedical Research Institute) and higher educational institutions.

LOCATION OVERVIEW (CONTINUED)

Over twenty million tourists visit the city and its attractions every year, contributing substantially to its economy, primarily due to The Alamo and the River Walk. The Henry B. Gonzalez Convention Center alone hosts over 300 events annually with more than 750,000 convention delegates from around the world. Tourism provided over 130,000 jobs, and it had an economic impact of \$13.6 billion in the local economy. The City of San Antonio received \$195 million in the same year from the hospitality industry, with revenues from hotel occupancy tax, sales taxes and others.

San Antonio is the headquarters of six Fortune 500 companies: Valero Energy, Andeavor (formerly Tesoro Corp), USAA, iHeartMedia, NuStar Energy, and CST Brands, Inc., H-E-B, the 13th-largest private company in the US is also based in San Antonio. Other companies headquartered in the city include Bill Miller Bar-B-Q Enterprises, Carenet Healthcare Services, Security Service Federal Credit Union, Visionworks of America, Frost Bank, Harte Hanks, Kinetic Concepts, SWBC, NewTek, Rackspace, Taco Cabana, Broadway Bank, Zachry Holdings/Zachry Construction Company, Randolph-Brooks Federal Credit Union, SAS, and Whataburger. The North American Development Bank, a development institution jointly held by the governments of the U.S. and Mexico, is headquartered in San Antonio as well. Other notable companies that maintain sizable presences in the city include Hulu, OCl, Kaco New Energy, Silver Spring Networks, Toyota, Argo Group, EOG Resources, Microsoft, Cogeco Peer1, and Boeing.

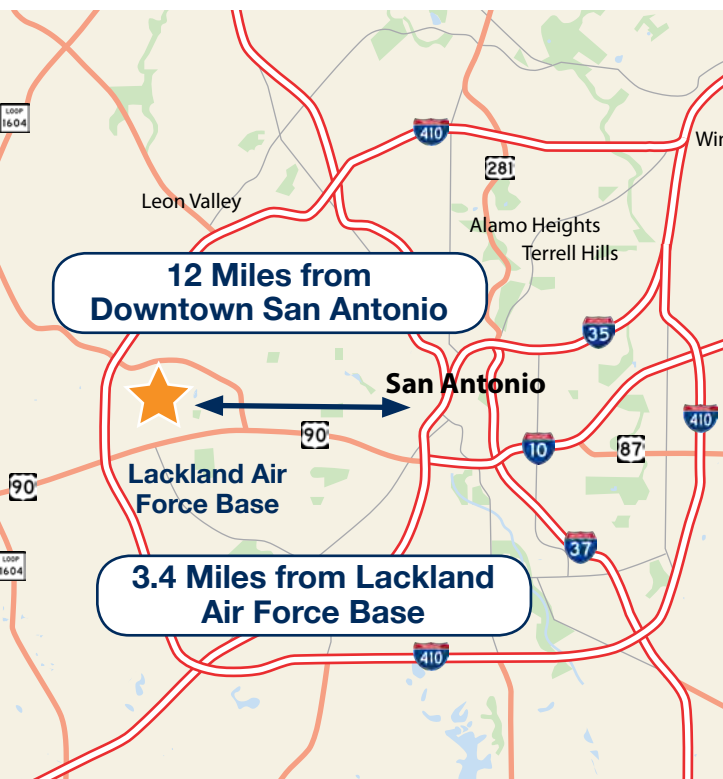
In 2015, San Antonio was ranked at No. 50 by Forbes magazine on their list of the Best Places for Business and Careers, while being listed as the 15th best market for job growth.

The subject CVS: located at 7031 Marbach Rd, San Antonio, TX 78227 is in the epicenter and surrounded by the off-shoots of Lackland AFB. The main gate can be seen from the site. The Veterinary Treatment Facility, US Renal Care-Gateway, Texas Health and Human Services Commission, and H-E-B Pharmacy are all surrounding the site. Additionally, it is near well-known nationwide companies such as Wells Fargo, Enterprise Rent-A-Car, and Dollar Tree. In the surrounding area there are also popular chain restaurants such as Burger King, Pizza Hut, Little Caesars Pizza, McDonald's, and Sonic Drive-In.

Located on the SEC of Marbach Rd & W. Military Dr, directly across the street from the subject property.

In this center is a Chevron Station, Little Cesar's Pizza, La Fiesta Grocers, Marbach Bingo, LOL Liquors, and Cash American Pawn.





MAJOR EMPLOYERS: 2017 SAN ANTONIO, TX

Joint Base San Antonio (JBSA)	75,972
H.E.B. Food Stores	22,000
USAA	17,163
Northside Independent School District	13,969
City of San Antonio	12,231
North East Independent School District	9,292
Methodist Health Care System	8,960
San Antonio Independent School District	7,374
Baptist Health Systems	6,432
Wells Fargo	5,010

LOCATION HIGHLIGHTS

SAN ANTONIO, TX

NEAR THE GATE OF LACKLAND AIR FORCE BASE



**Located just 12 Miles
from Downtown
San Antonio**



**Located near the Gate
of the Country's
largest Air Force Base
Training Center**



**Congested Traffic
Counts exceed 41,000+
Vehicles Per Day**



**Strategically located for
high visibility and ease
in ingress/egress**



DEMOGRAPHICS / SAN ANTONIO, TX



289,619

Total Population Within 5-Mile Radius



\$55,704

Average Household Income
Within 5-Mile Radius



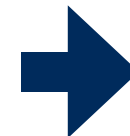
\$44,401

Median Household Income
Within 5-Mile Radius



90,093

Total Households in 5-Mile Radius



41.79%

From 2000



CVS
pharmacy®



POPULATION	1 MILE	3 MILES	5 MILES
2023 Projection			
Total Population	18,276	94,345	310,726
2018 Estimate			
Total Population	18,279	88,807	289,619
2010 Census			
Total Population	17,126	81,397	265,354
2000 Census			
Total Population	16,368	64,915	208,721
Current Daytime Population			
2018 Estimate	20,064	84,150	259,110
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2023 Projection			
Total Households	5,821	29,007	99,981
2018 Estimate			
Total Households	5,647	26,488	90,093
Average (Mean) Household Size	3.16	3.05	3.04
2010 Census			
Total Households	5,327	24,267	82,798
2000 Census			
Total Households	5,116	19,474	63,539
Occupied Units			
2023 Projection	5,821	29,007	99,981
2018 Estimate	5,864	27,095	92,336
HOUSEHOLDS BY INCOME	1 MILE	3 MILES	5 MILES
2018 Estimate			
\$150,000 or More	1.06%	1.70%	2.89%
\$100,000 - \$149,000	4.60%	6.67%	9.58%
\$75,000 - \$99,999	9.99%	9.97%	11.12%
\$50,000 - \$74,999	23.12%	21.63%	21.27%
\$35,000 - \$49,999	16.90%	17.10%	15.61%
Under \$35,000	44.33%	42.93%	39.55%
Average Household Income	\$46,473	\$49,869	\$55,704
Median Household Income	\$38,628	\$40,190	\$44,401
Per Capita Income	\$14,358	\$15,438	\$17,848

HOUSEHOLDS BY EXPENDITURE	1 MILE	3 MILES	5 MILES
Total Average Household Retail Expenditure	\$52,003	\$53,095	\$58,826
Consumer Expenditure Top 10 Categories			
Housing	\$13,669	\$14,142	\$15,346
Transportation	\$10,488	\$10,887	\$11,853
Shelter	\$7,490	\$7,800	\$8,419
Food	\$5,687	\$5,813	\$6,183
Personal Insurance and Pensions	\$3,813	\$4,138	\$4,894
Utilities	\$3,421	\$3,494	\$3,731
Health Care	\$3,218	\$3,113	\$3,415
Entertainment	\$2,088	\$2,110	\$2,346
Apparel	\$1,388	\$1,451	\$1,546
Household Furnishings and Equipment	\$1,325	\$1,379	\$1,541

POPULATION PROFILE	1 MILE	3 MILES	5 MILES
Population By Age			
2018 Estimate Total Population	18,279	88,807	289,619
Under 20	32.98%	32.92%	32.51%
20 to 34 Years	22.67%	28.30%	26.08%
35 to 39 Years	6.76%	6.69%	6.97%
40 to 49 Years	12.00%	10.57%	11.26%
50 to 64 Years	14.55%	12.37%	13.52%
Age 65+	11.04%	9.15%	9.65%
Median Age	31.15	28.28	29.69
Population 25+ by Education Level			
2018 Estimate Population Age 25+	10,909	50,039	168,772
Elementary (0-8)	8.80%	7.85%	8.66%
Some High School (9-11)	16.28%	12.94%	12.81%
High School Graduate (12)	35.03%	32.64%	29.93%
Some College (13-15)	24.01%	25.97%	24.58%
Associate Degree Only	6.14%	6.70%	7.02%
Bachelors Degree Only	6.80%	9.03%	10.35%
Graduate Degree	1.15%	2.93%	4.12%



**SAN ANTONIO
TEXAS**

Lior Regenstreif

**SENIOR MANAGING DIRECTOR INVESTMENTS
SENIOR DIRECTOR, NET LEASED PROPERTIES GROUP**

ENCINO OFFICE

Tel: (818) 212-2730

Fax: (818) 212-2710

Lior.Regenstreif@marcusmillichap.com

License: CA 01267761

NNN
NNN DEAL
THE SINGLE TENANT RESOURCE

Marcus & Millichap