



CVS PHARMACY

252 ORANGE AVE | WEST HAVEN, CT

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TENANT OVERVIEW

CVS | WEST HAVEN, CT





CVS Pharmacy is an American pharmacy retailer and currently stands as the second largest pharmacy chain, after Walgreens. As the retail pharmacy division of CVS Health, it ranks as the 7th largest company in the world according to Fortune 500 in 2017.

As of Dec 30, 2017, CVS operated 9,803 retail drugstores (of which 7,971 were the company's stores that operated a pharmacy and 1,679 were pharmacies located within Target stores) located in 49 states, the District of Columbia, Puerto Rico and Brazil, and 1,134 retail medical clinics, as well as CVS.com, Navarro.com and Onofre.com.br.

CVS Health is chartered in Delaware, and is headquartered in Woonsocket, Rhode Island, where its four business units are also headquartered. The company has an S&P rating of BBB+ which is investment grade.



CVS CORPORATE OVERVIEW

TENANT TRADE NAME:	CVS Pharmacy
TENANT OWNERSHIP STATUS:	Public
BOARD/SYMBOL:	NYSE: CVS
LOCATIONS:	-/+ 9,803
CREDIT RATING:	BBB+
AGENCY:	Standard & Poor's
CORPORATE HEADQUARTERS:	Woonsocket, RI

FINANCIAL OVERVIEW

CVS | WEST HAVEN, CT

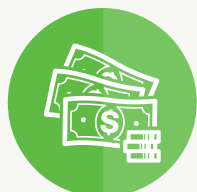




LIST PRICE
\$3,000,000



CAP RATE
6.77%



TOTAL NOI
\$203,108



PROPERTY HIGHLIGHTS

ABSOLUTE NNN LEASE

Absolute NNN lease with no landlord responsibilities or expenses

LONG TERM OCCUPANCY

Long term occupancy at this location since 2000 and just signed a new 10 year lease extension showing commitment to the site

ONE BLOCK FROM THE UNIVERSITY OF NEW HAVEN

CVS is situated one block (0.4 miles) from The University of New Haven with over 4,900 students enrolled

DENSELY POPULATED AREA

Densely populated area with 17,765 people in the 1 mile ring, 135,288 people in the 3 mile and 246,085 people in the 5 mile ring

RENTAL INCREASES

6% rental increase in each four, five year option period

MAJOR INTERSECTION LOCATION

Situated at the intersection of Route 1 and Campbell Ave, one of the busiest intersections in the state

LEASEHOLD STRUCTURE

Leasehold investments are 100% depreciable offering superior tax shelter and better yield in comparison to fee simple investments

OPTION TO PURCHASE LAND

Leasehold owner has the option to buy the land at fair market value anytime during the 21st year following rent commencement (2021)

CORPORATELY GUARANTEED

Corporately guaranteed lease by CVS - Rated BBB+ by Standard & Poor's

FINANCIAL OVERVIEW



PRICE: **\$3,000,000**

CAP RATE: **6.77%**

BUILDING SQUARE FOOTAGE: 10,125

YEAR BUILT: 2000

PARCEL SIZE: 0.61 Acres

TYPE OF OWNERSHIP: Leasehold

TENANT: Corporate Store

LEASE GUARANTOR: Corporate Guarantee

LEASE TYPE: Absolute NNN

INITIAL LEASE TERM: 38 Years Total
(10 Year Lease Extension)

LEASE COMMENCEMENT: 11/6/2000

LEASE EXPIRATION DATE: 1/31/2028

ROOF AND STRUCTURE: Tenant Responsible

TERM REMAINING ON LEASE: 10 Years

INCREASES: 6% in Options

OPTIONS: 4x5 Years

PROPERTY ADDRESS:
252 ORANGE AVE | WEST HAVEN, CT

ANNUALIZED OPERATING DATA		
RENT INCREASES	ANNUAL	MONTHLY
2/1/2018-1/31/2028	\$295,718.04	\$24,643.17
OPTION 1	\$313,460.76	\$26,121.73
OPTION 2	\$332,268.48	\$27,689.04
OPTION 3	\$352,204.56	\$29,350.38
OPTION 4	\$373,336.80	\$31,111.40
TOTAL ANNUAL RENT	\$295,718.04	
CURRENT GROUND LEASE RENT	(\$92,610.00)	
NET OPERATING INCOME	\$203,108	

MASTER GROUND LEASE

INITIAL LEASE TERM:	20 Years
LEASE COMMENCEMENT:	6/1/2000
LEASE EXPIRATION DATE:	5/31/2020
TERM REMAINING:	3 Years
RENEWAL OPTIONS:	7x10 Years
INCREASES:	5% in Each Option



RENT INCREASES	ANNUAL	MONTHLY
2/1/2018 - 1/31/2019	\$92,610.00	\$7,717.50
2/1/2019 - 1/31/2020	\$92,610.00	\$7,717.50
2/1/2020 - 1/31/2021	\$94,925.50	\$7,910.46
2/1/2021 - 1/31/2022	\$97,240.50	\$8,103.38
2/1/2022 - 1/31/2023	\$97,240.50	\$8,103.38
2/1/2023 - 1/31/2024	\$97,240.50	\$8,103.38
2/1/2024 - 1/31/2025	\$97,240.50	\$8,103.38
2/1/2025 - 1/31/2026	\$99,671.52	\$8,305.96
2/1/2026 - 1/31/2027	\$102,102.53	\$8,508.54
2/1/2027 - 1/21/2028	\$102,102.53	\$8,508.54
2/1/2028 - 1/31/2029	\$102,102.53	\$8,508.54
2/1/2029 - 1/31/2030	\$102,102.53	\$8,508.54
2/1/2030 - 1/31/2031	\$104,655.09	\$8,721.26
2/1/2031 - 1/31/2032	\$107,207.65	\$8,933.97
2/1/2032 - 1/31/2033	\$107,207.65	\$8,933.97
2/1/2033 - 1/31/2034	\$107,207.65	\$8,933.97
2/1/2034 - 1/31/2035	\$107,207.65	\$8,933.97
2/1/2035 - 1/31/2036	\$109,887.84	\$9,157.32
2/1/2036 - 1/31/2037	\$112,568.03	\$9,380.67
2/1/2037 - 1/31/2038	\$112,568.03	\$9,380.67
GROUND LEASE RENT	\$92,610.00	



NOI BREAKDOWN OVER LEASE TERM

YEAR	DATE	ANNUAL RENT	GROUND RENT	NOI
1	2/1/2018 - 1/31/2019	\$295,718.04	\$92,610.00	\$203,108.04
2	2/1/2019 - 1/31/2020	\$295,718.04	\$92,610.00	\$203,108.04
3	2/1/2020 - 1/31/2021	\$295,718.04	\$94,925.50	\$200,792.54
4	2/1/2021 - 1/31/2022	\$295,718.04	\$97,240.50	\$198,477.54
5	2/1/2022 - 1/31/2023	\$295,718.04	\$97,240.50	\$198,477.54
6	2/1/2023 - 1/31/2024	\$295,718.04	\$97,240.50	\$198,477.54
7	2/1/2024 - 1/31/2025	\$295,718.04	\$97,240.50	\$198,477.54
8	2/1/2025 - 1/31/2026	\$295,718.04	\$99,671.52	\$196,046.53
9	2/1/2026 - 1/31/2027	\$295,718.04	\$102,102.53	\$193,615.51
10	2/1/2027 - 1/21/2028	\$295,718.04	\$102,102.53	\$193,615.51
11	2/1/2028 - 1/31/2029	\$313,460.76	\$102,102.53	\$211,358.23
12	2/1/2029 - 1/31/2030	\$313,460.76	\$102,102.53	\$211,358.23
13	2/1/2030 - 1/31/2031	\$313,460.76	\$104,655.09	\$208,805.67
14	2/1/2031 - 1/31/2032	\$313,460.76	\$107,207.65	\$206,253.11
15	2/1/2032 - 1/31/2033	\$313,460.76	\$107,207.65	\$206,253.11
16	2/1/2033 - 1/31/2034	\$332,268.48	\$107,207.65	\$225,060.83
17	2/1/2034 - 1/31/2035	\$332,268.48	\$107,207.65	\$225,060.83
18	2/1/2035 - 1/31/2036	\$332,268.48	\$109,887.84	\$222,380.64
19	2/1/2036 - 1/31/2037	\$332,268.48	\$112,568.03	\$219,700.45
20	2/1/2037 - 1/31/2038	\$332,268.48	\$112,568.03	\$219,700.45

INVESTMENT OVERVIEW

CBRE is pleased to exclusively present for sale this leasehold interest CVS located at 252 Orange Ave in West Haven, CT. CVS has been successfully operating at this site since 2000 and recently extended its lease 10 years showing commitment to the site. This is an absolute triple net lease with no landlord responsibilities. There are four, five year options to renew the lease with a 6% rental increase in each option period. The master ground lease which commenced in 2000 has 3 years remaining on its current term, with seven options to renew the lease. Following the 21st year of rent commencement (2021), the leasehold owner has the option to buy the land at fair market value. The lease is corporately guaranteed by CVS, an investment grade credit tenant rated BBB+ by Standard & Poor's.

CVS sits on a 0.61 acre parcel along Boston Post Road and Campbell Ave in West Haven, CT. The site has excellent access and visibility with two points of ingress/egress for over 34,5000 combined vehicles passing by daily. This is a dense area with 18,029 people within 1 mile, 136,065 people within 3 miles and 247,519 people within 5 miles. CVS is also 0.4 miles from the University of New Haven with over 4,900 students enrolled. The area surrounding CVS is currently under a development plan known as University Commons, which will transform the area around the University of New Haven. Adjacent to CVS is the first phase of the project, The Atwood, a new construction, four-story mixed-use apartment and commercial building with first floor retail and 67 apartment units. The University Commons project will eventually be home to 179 apartment units and 50,000 square feet of retail space, restaurants and shops. The Atwood is the first phase of the development, which opened in July 2017. The full development plan is scheduled to be complete by June 2019.

PROPERTY SUMMARY

CVS | WEST HAVEN, CT





PROPERTY SUMMARY





PARK PLACE

50 RESIDENTIAL UNITS
16,000 sqft RETAIL

COMING: JUNE 2019



THE FOREST

62 RESIDENTIAL UNITS
18,000 sqft RETAIL

COMING: JUNE 2018



THE ATWOOD

67 APARTMENT UNITS
15,000 sqft RETAIL

COMPLETION: JUNE 2017

CVS



University of
New Haven

CVS

DOLLAR GENERAL

Advance
Auto Parts

University of
New Haven

McDonald's

Subway

7
ELEVEN

CAMPBELL AVE - 16,600 V.P.D.

VA
MEDICAL
CENTER

I-95 - 132,900 V.P.D.

INTERSTATE
95

EconoLodge

Stop&Shop

Subway

Sears

WALMART

LOWE'S
SAM'S CLUB
DOLLAR TREE
LA FITNESS

Burlington Coat Factory
KOHL'S
Walgreens
BURGER KING
savers
AutoZone

Wendy's

TARGET
BEST BUY
PETSMART
TACO BELL
POPEYES CHICKEN & BISCUITS
PEPBOYS AUTO
Goodwill Industries International, Inc.
McDonald's

LOCATION OVERVIEW



CVS is situated along Route 1 and Campbell Ave, one of the busiest intersections in the state of Connecticut, just 0.4 miles from The University of New Haven with over 4,900 students enrolled. This area is currently under a development plan known as University Commons, which will transform the area around the University of New Haven. Adjacent to CVS is the first phase of the project, The Atwood, a new construction, four-story mixed-use apartment and commercial building with first floor retail and 67 apartment units. The University Commons project will eventually be home to 179 apartment units and 50,000 square feet of retail space, restaurants and shops. The Atwood is the first phase of the development, which opened in July 2017. The full development plan is scheduled to be complete by June 2019. This is a dense area with 18,029 people within 1 mile, 136,065 people within 3 miles and 247,519 people within 5 miles. West Haven is conveniently located in south-central Connecticut along Interstate 95, between New York City and Boston.



LOCAL MAP



REGIONAL MAP



SUBJECT AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2010 POPULATION	17,622	132,623	243,076
2017 POPULATION	18,029	136,065	247,519
PROJECTED POPULATION (2022)	18,224	137,881	250,218
HISTORICAL ANNUAL GROWTH			
2010-2017	0.32%	0.35%	0.25%
PROJECTED ANNUAL GROWTH			
2017-2022	0.22%	0.27%	0.22%
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	5,229	49,664	92,850
2017 HOUSEHOLDS	5,282	50,542	93,700
PROJECTED HOUSEHOLDS (2022)	5,320	51,118	94,442
HISTORICAL ANNUAL GROWTH			
2010-2017	0.14%	0.24%	0.13%
PROJECTED ANNUAL GROWTH			
2017-2022	0.14%	0.23%	0.16%
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2017 AVERAGE	\$56,550	\$65,585	\$73,936
2017 MEDIAN	\$39,769	\$42,874	\$49,293

POPULATION BY RACE	1 MILE	3 MILES	5 MILES
WHITE POPULATION	39.1%	44.3%	51.4%
AFRICAN AMERICAN POPULATION	34.6%	34.2%	28.0%
ASIAN POPULATION	3.6%	6.0%	5.3%
PACIFIC ISLANDER POPULATION	0.6%	0.5%	0.4%
AMERICAN INDIAN AND ALASKA NATIVE	0.2%	0.1%	0.1%
OTHER RACE POPULATION	17.0%	10.6%	10.9%
TWO OR MORE RACES POPULATION	4.8%	4.3%	3.8%

HISPANIC OR LATINO POPULATION BY ORIGIN	1 MILE	3 MILES	5 MILES
HISPANIC OR LATINO	33.6%	23.9%	24.3%
WHITE NON-HISPANIC	27.7%	34.7%	41.2%

2017 AGE BY GENDER	1 MILE	3 MILES	5 MILES
MEDIAN AGE			
MALE/FEMALE	28.8/30.6	31.0/32.8	33.5/36.3

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