



CVS PHARMACY

2660 JERUSALEM AVE | BELLMORE, NY

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TENANT OVERVIEW

CVS | BELLMORE, NY





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 | BELLMORE, NY





LIST PRICE
\$2,000,000



CAP RATE
6.93%



TOTAL NOI
\$138,642

PROPERTY HIGHLIGHTS

LONG TERM OCCUPANCY

CVS has long term occupancy at this location since 1997 with a new 20 year lease extension showing commitment to the site

STRONG SALES

Strong store sales with \$12.5M in 2016 and \$11.72M in 2015

EXTREMELY DENSELY POPULATED AREA

Densely dense area with 23,371 people within 1 mile, 201,132 people within 3 miles and 498,905 people within 5 miles

AFFLUENT DEMOGRAPHICS

Affluent demographics - AHI in the 1 mile ring over \$134,000, AHI in the 3 mile ring over \$128,000 and AHI in the 5 mile ring over \$122,000

RENTAL INCREASES

8% rental increases in years 10, 15, and each Option Period

SIGNALIZED CORNER LOCATION

Situated at the signalized corner of Jerusalem Ave and Bellmore Rd with traffic counts over 17,000 V.P.D.

LEASEHOLD STRUCTURE

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

CORPORATELY GUARANTEED

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



FINANCIAL OVERVIEW



PRICE: **\$2,000,000**

CAP RATE: **6.93%**

BUILDING SQUARE FOOTAGE: 10,125

YEAR BUILT: 1997

PARCEL SIZE: 0.41 Acres

TYPE OF OWNERSHIP: Leasehold

TENANT: Corporate Store

LEASE GUARANTOR: Corporate Guarantee

LEASE TYPE: NNN*

INITIAL LEASE TERM: 40 Years Total
(20 Year Extension)

LEASE COMMENCEMENT: 12/19/1997

LEASE EXPIRATION DATE: 1/31/2038

ROOF AND STRUCTURE: Landlord Responsible

TERM REMAINING ON LEASE: 20 Years

INCREASES: 8% in Years 10, 15, and in Option Period

OPTIONS: 1x5 Years

PROPERTY ADDRESS:
2660 JERUSALEM AVE | BELLMORE, NY

ANNUALIZED OPERATING DATA		
RENT INCREASES	ANNUAL	MONTHLY
2/1/2018 - 1/31/2028	\$236,469.00	\$19,705.75
2/1/2028 - 1/31/2033	\$255,422.76	\$21,285.23
2/1/2033 - 1/31/2038	\$275,834.52	\$22,986.21
OPTION 1	\$297,901.28	\$24,825.10
TOTAL ANNUAL RENT	\$236,469.00	
GROUND LEASE RENT (2/1/2018-1/31/2019)	(\$97,827.00)	
NET OPERATING INCOME	\$138,642.00	

*Repairs & Maintenance - Landlord: building, roof & structure replacement

MASTER GROUND LEASE

INITIAL LEASE TERM:	15 Years (Tenant has also exercised first two option periods)
LEASE COMMENCEMENT:	9/25/1998
LEASE EXPIRATION DATE:	9/25/2023
TERM REMAINING:	6 Years
RENEWAL OPTIONS:	4x5 Years 1x4 Years
INCREASES:	10% Every 5 Years



RENT INCREASES	ANNUAL	MONTHLY
2/1/2018 - 1/31/2019	\$97,827.00	\$8,152.25
2/1/2019 - 1/31/2020	\$100,623.60	\$8,385.30
2/1/2020 - 1/31/2021	\$100,623.60	\$8,385.30
2/1/2021 - 1/31/2022	\$100,623.60	\$8,385.30
2/1/2022 - 1/31/2023	\$100,623.60	\$8,385.30
2/1/2023 - 1/31/2024	\$104,814.15	\$8,734.51
2/1/2024 - 1/31/2025	\$110,685.96	\$9,223.83
2/1/2025 - 1/31/2026	\$110,685.96	\$9,223.83
2/1/2026 - 1/31/2027	\$110,685.96	\$9,223.83
2/1/2027 - 1/21/2028	\$110,685.96	\$9,223.83
2/1/2028 - 1/31/2029	\$115,297.86	\$9,608.16
2/1/2029 - 1/31/2030	\$121,754.55	\$10,146.21
2/1/2030 - 1/31/2031	\$121,754.55	\$10,146.21
2/1/2031 - 1/31/2032	\$121,754.55	\$10,146.21
2/1/2032 - 1/31/2033	\$121,754.55	\$10,146.21
2/1/2033 - 1/31/2034	\$126,827.62	\$10,568.97
2/1/2034 - 1/31/2035	\$133,930.00	\$11,160.83
2/1/2035 - 1/31/2036	\$133,930.00	\$11,160.83
2/1/2036 - 1/31/2037	\$133,930.00	\$11,160.83
2/1/2037 - 1/31/2038	\$133,930.00	\$11,160.83
GROUND LEASE RENT	\$97,827.00	



NOI BREAKDOWN OVER LEASE TERM

YEAR	DATE	ANNUAL RENT	GROUND RENT	NOI
1	2/1/2018 - 1/31/2019	\$236,469.00	\$97,827.00	\$138,642.00
2	2/1/2019 - 1/31/2020	\$236,469.00	\$100,623.60	\$135,845.40
3	2/1/2020 - 1/31/2021	\$236,469.00	\$100,623.60	\$135,845.40
4	2/1/2021 - 1/31/2022	\$236,469.00	\$100,623.60	\$135,845.40
5	2/1/2022 - 1/31/2023	\$236,469.00	\$100,623.60	\$135,845.40
6	2/1/2023 - 1/31/2024	\$236,469.00	\$104,814.15	\$131,654.85
7	2/1/2024 - 1/31/2025	\$236,469.00	\$110,685.96	\$125,783.04
8	2/1/2025 - 1/31/2026	\$236,469.00	\$110,685.96	\$125,783.04
9	2/1/2026 - 1/31/2027	\$236,469.00	\$110,685.96	\$125,783.04
10	2/1/2027 - 1/21/2028	\$236,469.00	\$110,685.96	\$125,783.04
11	2/1/2028 - 1/31/2029	\$255,422.76	\$115,297.86	\$140,124.90
12	2/1/2029 - 1/31/2030	\$255,422.76	\$121,754.55	\$133,668.21
13	2/1/2030 - 1/31/2031	\$255,422.76	\$121,754.55	\$133,668.21
14	2/1/2031 - 1/31/2032	\$255,422.76	\$121,754.55	\$133,668.21
15	2/1/2032 - 1/31/2033	\$255,422.76	\$121,754.55	\$133,668.21
16	2/1/2033 - 1/31/2034	\$275,834.52	\$126,827.62	\$149,006.90
17	2/1/2034 - 1/31/2035	\$275,834.52	\$133,930.00	\$141,904.52
18	2/1/2035 - 1/31/2036	\$275,834.52	\$133,930.00	\$141,904.52
19	2/1/2036 - 1/31/2037	\$275,834.52	\$133,930.00	\$141,904.52
20	2/1/2037 - 1/31/2038	\$275,834.52	\$133,930.00	\$141,904.52

INVESTMENT OVERVIEW

CBRE is pleased to exclusively present for sale this leasehold interest CVS located on Long Island in New York. CVS has been successfully operating at this site since 1997 and recently extended its lease 20 years showing commitment to the site. This is a triple net lease with minimal landlord responsibilities, and an 8% rental increase in years 10 and 15 of the base term, and in the one, five year option to renew. The master ground lease which commenced in 1996 has 6 years remaining on its current term, with 5 options to renew the lease and 10% rental increases every 5 years. CVS has strong sales at this location with sales of \$12.5 million in 2016 and \$11.72 million in 2015. The lease is corporately guaranteed by CVS, an investment grade credit tenant rated BBB+ by Standard & Poor's.

CVS sits on a 0.41 acre parcel at the signalized corner of Jerusalem Ave and Bellmore Rd in Bellmore, New York. Bellmore is located on the south shore of Long Island 5 miles from Jones Beach State Park, approximately 27 miles east of Manhattan. The site has excellent access and visibility with two points of ingress/egress for the 23,000 vehicles passing by daily. This is an extremely dense area with 23,371 people within 1 mile, 201,132 people within 3 miles and 498,905 people within 5 miles. CVS is in a walkable location as it sits on the edge of numerous neighborhoods, making it a go to convenience store for the residents nearby. The area also boasts affluent demographics with the average household income in the 1 mile ring over \$134,000, AHI in the 3 mile ring over \$128,000 and AHI in the 5 mile ring over \$122,000.

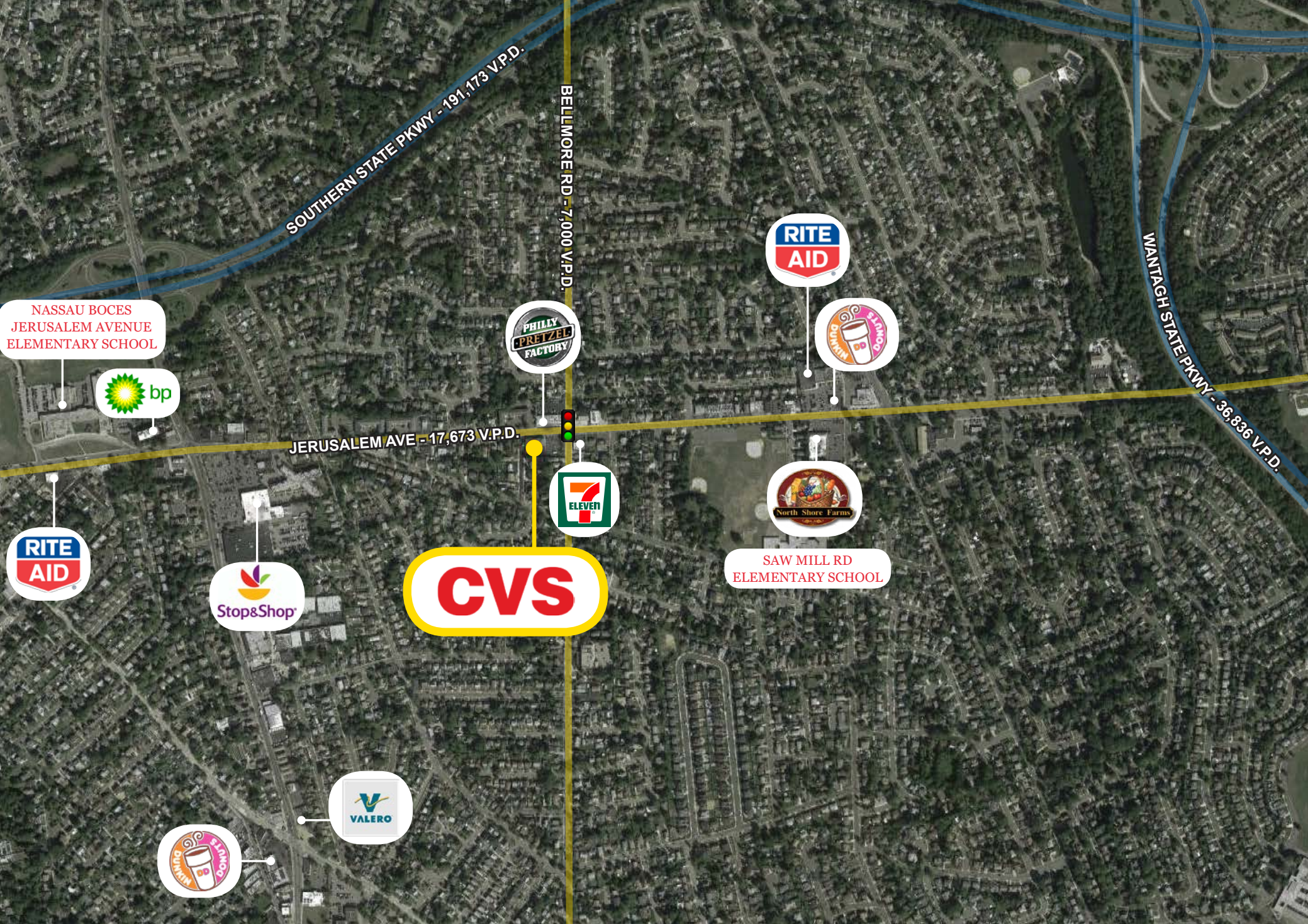
PROPERTY SUMMARY

CVS | BELLMORE, NY









SOUTHERN STATE PKWY - 191,173 V.P.D.

BELLMORE RD - 7,000 V.P.D.

WANTAGH STATE PKWY - 36,836 V.P.D.

JERUSALEM AVE - 17,673 V.P.D.

NASSAU BOCES
JERUSALEM AVENUE
ELEMENTARY SCHOOL



SAW MILL RD
ELEMENTARY SCHOOL





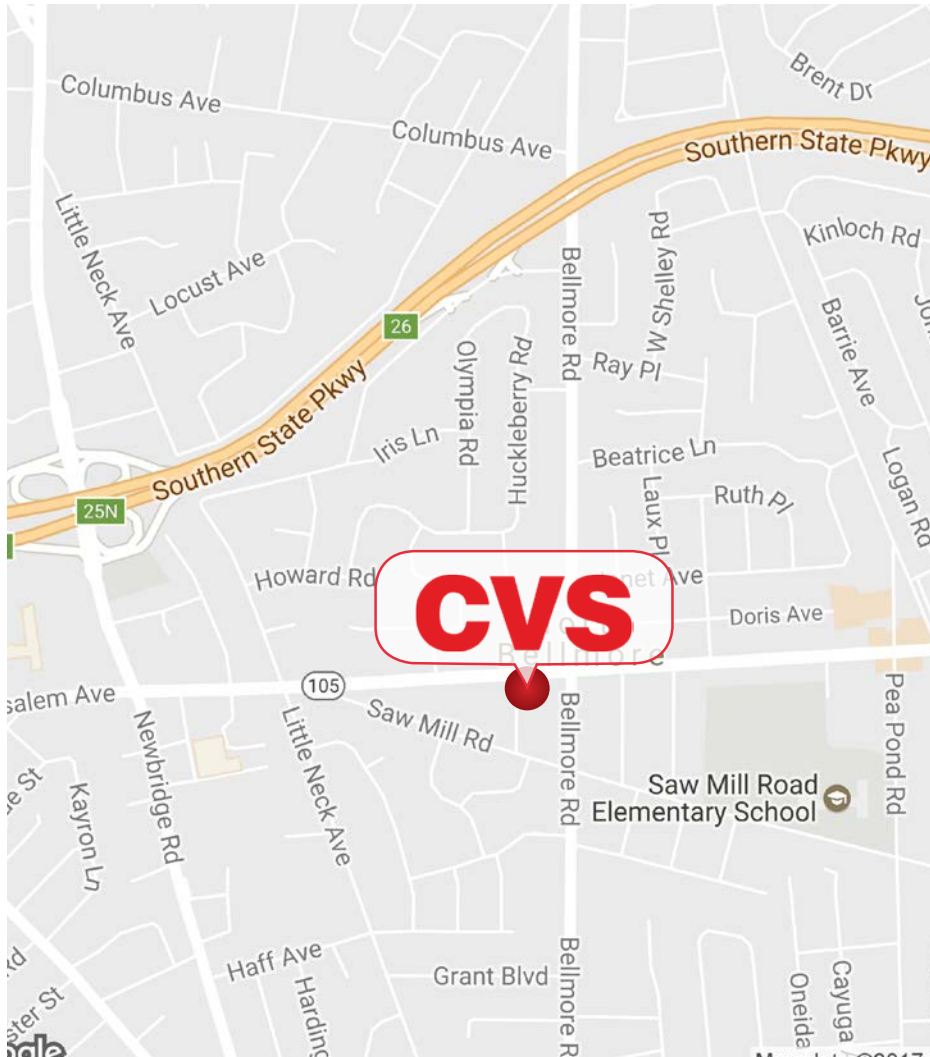
LOCATION OVERVIEW



CVS is situated at the signalized intersection of Jerusalem Ave and Bellmore Rd with combined traffic counts over 23,000 vehicles per day. The site has excellent access and visibility with two points of ingress/egress. The 10,125 sq. ft. property sits on 0.41 acres just 1 mile from the Southern State Parkway, a major highway on Long Island with traffic counts over 191,000 vehicles per day. This is an extremely dense area in the highly sought after New York MSA with over 23,000 people within 1 mile, over 201,000 people within 3 miles and over 498,000 people within 5 miles. This area also boasts affluent demographics with the average household income over \$134,000 in the 1 mile ring and over \$120,000 in the 3 and 5 mile rings. Surrounding retailers include Stop and Shop, North Shore Farms, Dunkin Donuts, 7-Eleven, Rite Aid and BP.

Bellmore is located on the south shore of Long Island 5 miles from Jones Beach State Park, approximately 27 miles east of Manhattan. Bellmore serves as a suburb of New York City on Long Island. Penn Station in Manhattan is typically a 45-minute direct ride from the station on the Long Island Rail Road's Babylon Branch. John F. Kennedy Int'l Airport is located within 15 miles of Bellmore, making this area ideal and easily accessible for travelers.

LOCAL MAP



REGIONAL MAP



SUBJECT AREA DEMOGRAPHICS



POPULATION	1 MILE	3 MILES	5 MILES
2010 POPULATION	22,882	197,345	488,280
2017 POPULATION	23,371	201,132	498,905
PROJECTED POPULATION (2022)	23,737	204,122	506,955
HISTORICAL ANNUAL GROWTH			
2010-2017	0.29%	0.26%	0.30%
PROJECTED ANNUAL GROWTH			
2017-2022	0.31%	0.30%	0.32%
HOUSEHOLDS	1 MILE	3 MILES	5 MILES
2010 HOUSEHOLDS	7,589	63,725	154,308
2017 HOUSEHOLDS	7,669	64,363	156,124
PROJECTED HOUSEHOLDS (2022)	7,749	65,023	157,929
HISTORICAL ANNUAL GROWTH			
2010-2017	0.14%	0.14%	0.16%
PROJECTED ANNUAL GROWTH			
2017-2022	0.21%	0.20%	0.23%
HOUSEHOLD INCOME	1 MILE	3 MILES	5 MILES
2017 AVERAGE	\$134,594	\$128,848	\$122,065
2017 MEDIAN	\$111,822	\$104,663	\$98,821

POPULATION BY RACE	1 MILE	3 MILES	5 MILES
WHITE POPULATION	86.9%	78.5%	66.8%
AFRICAN AMERICAN POPULATION	3.0%	8.3%	15.8%
ASIAN POPULATION	5.7%	6.4%	5.8%
PACIFIC ISLANDER POPULATION	0.1%	0.2%	0.3%
AMERICAN INDIAN AND ALASKA NATIVE	0.0%	0.0%	0.0%
OTHER RACE POPULATION	2.1%	4.3%	8.3%
TWO OR MORE RACES POPULATION	2.1%	2.3%	2.9%

HISPANIC OR LATINO POPULATION BY ORIGIN	1 MILE	3 MILES	5 MILES
HISPANIC OR LATINO	10.2%	13.8%	20.6%
WHITE NON-HISPANIC	79.6%	70.3%	57.0%

2017 AGE BY GENDER	1 MILE	3 MILES	5 MILES
MEDIAN AGE			
MALE/FEMALE	41.4/43.9	40.7/43.8	39.0/42.4

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