



THE JONNA GROUP  
MARCUS & MILLICHAP

CVS Pharmacy

2506 Niles Avenue • Saint Joseph, MI 49085



Actual Subject Site

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CVS  
Saint Joseph, MI  
ACT ID Z0290291

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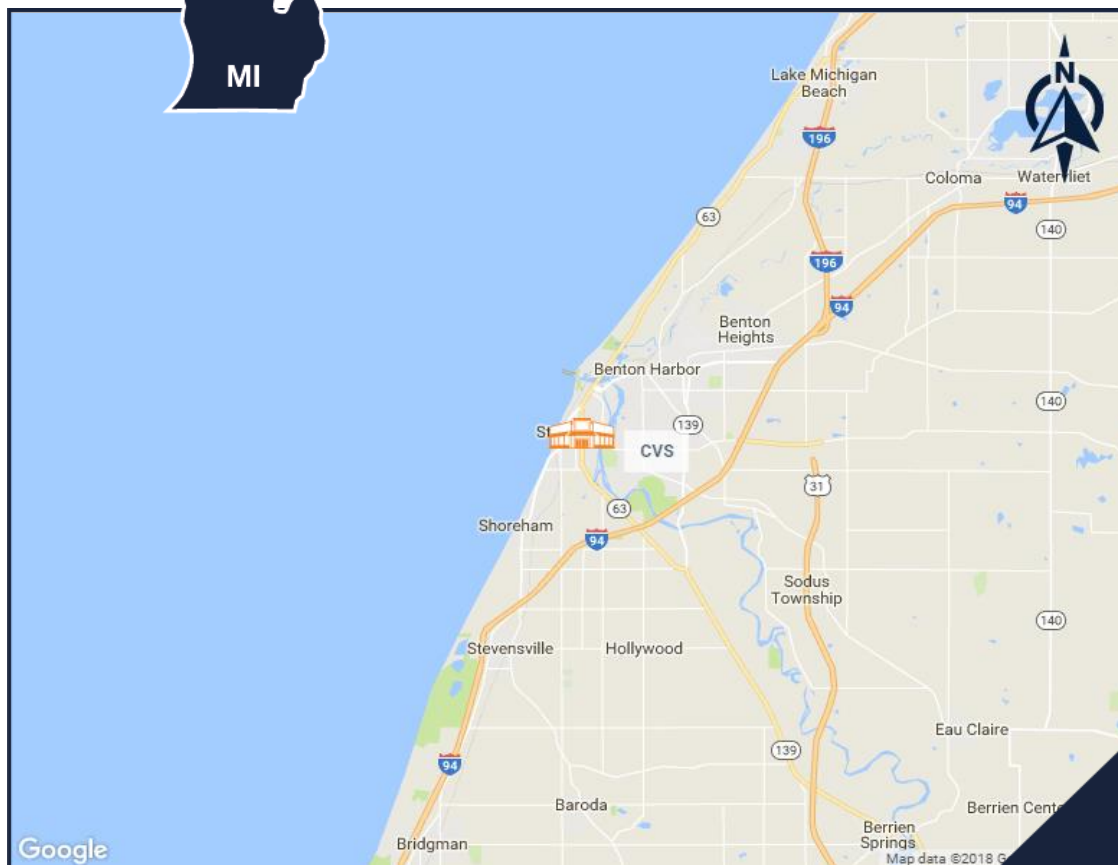
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2506 Niles Ave, Saint Joseph, MI 49085











## EXECUTIVE SUMMARY

## OFFERING SUMMARY

Price	\$6,318,000
Net Operating Income	\$325,395
Capitalization Rate – Current	5.15%
Price / SF	\$477.73
Rent / SF	\$24.60
Lease Type	NNN
Gross Leasable Area	13,225 SF
Year Built / Renovated	2015
Lot Size	2.48 acre(s)



## MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
Whirlpool	4,123
Lakeland Health Medical Center	4,000
LAKELAND HEALTH	998
Lakeland Call Care	791
County of Berrien	781
Lakeland Regional Health Sys	604
United Federal Credit Union	521
Tem-Press Division	500
Lake Mich College Mendel Ctr	499
Meijer 041	450
Scope Mechanical Contractors	390
Gast Manufacturing Inc	380

## DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2017 Estimate Pop	6,280	32,147	51,870
2017 Census Pop	6,368	32,675	52,749
2017 Estimate HH	3,008	13,348	21,020
2017 Census HH	3,048	13,523	21,308
Median HH Income	\$53,093	\$42,407	\$43,830
Per Capita Income	\$35,135	\$25,914	\$27,028
Average HH Income	\$71,757	\$61,518	\$65,946

\* # of Employees based on 5 mile radius

## INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present the exclusive listing for a 2015 construction fee-simple CVS Pharmacy located in St. Joseph, Michigan. CVS Pharmacy has over 22 years remaining that includes three five-year options. The CVS offering also includes ideal rent increases every five years in the option periods and is paying well below market rents. The investment presents an ideal community for drug store patrons and offers a corporate guarantee from CVS Health Corporation, the largest pharmacy chain in the United States that has a Standard and Poor's BBB Rating.

The subject property is located in the central retail corridor of Saint Joseph, on the signalized hard corner of Niles Avenue and Napier Avenue. The investment offers ingress/egress to both Napier and Niles Avenues. The detailed architecture mimics the historical look and feel of downtown Saint Joseph. The subject site is located within minutes to Lakeland Medical Center campus. Lakeland Health System has received a number of accreditations. The subject property is located just minutes away from Whirlpool Corporation World Headquarters, an American multinational Fortune 500 manufacturer and marketer of home appliances with over 92,000 employees.

St. Joseph is carefully nestled on the southern tip of what has been termed the Riviera of the Midwest. This deep water port town is a growing resort community - part of a small town chain stretching from the state line in a spectacular arc along Lake Michigan. The lakeshore is peppered with remarkable sand dune formations and lined further inland with a lush countryside that produces some of the nation's finest orchards and vineyards. It is the largest non-citrus fruit growing region in the nation. Located just 90 miles from downtown Chicago, St. Joseph is a quaint community situated within the larger Benton Harbor/St. Joseph MSA. The city of St. Joseph has continually operated at full economic capacity.

## INVESTMENT HIGHLIGHTS

- Fee-Simple CVS Pharmacy | 2015 Construction | Rare 22 Years Remaining | 24-Hour Store
- Rent Increases Every Five Years in Option Periods | Three Five-Year Options
- Corporate Guaranty From CVS Health Corporation | Over 9,600 Locations | Standard & Poor's BBB Rated
- Hard Signalized Intersection of Niles Avenue and Napier Avenue
- Meticulous Design to Match Neighboring Buildings | Unique High Imagery Design with Brick and Limestone Upgrades
- Minutes From Lakeland Medical Center Campus | Largest Employer in Berrien County | Over 4,000 Employees
- Minutes from Whirlpool Corporation World Headquarters | 92,000 Employees | Fortune 500 Company w/ \$21.25 Billion
- Adjacent to St. Joseph High School | Major High School in Region
- 100 Miles from Chicago and 30 Miles from Indiana State Line | Walking Distance to Lake Michigan Beaches & Coastline
- Retailers in the Immediate Vicinity Include Walgreens, Taco Bell, Starbucks, McDonald's, Dunkin' Donuts etc.



## PROPERTY SUMMARY

THE OFFERING	
Property	CVS
Property Address	2506 Niles Avenue Saint Joseph, Michigan 49085
Price	\$6,318,000
Capitalization Rate	5.15%
Price/SF	\$477.73

PROPERTY DESCRIPTION	
Year Built / Renovated	2015
Gross Leasable Area	13,225 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	2.48 Acres

LEASE SUMMARY	
Property Subtype	Net Leased Drug Store
Tenant	CVS
Rent Increases	In Option Periods
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Commencement	10/1/2015
Lease Expiration	9/30/2040
Lease Term	25
Term Remaining on Lease (Years)	22.5
Renewal Options	Three Five-Year Options
Landlord Responsibility	Structure
Tenant Responsibility	NNN

ANNUALIZED OPERATING INFORMATION	
INCOME	
Net Operating Income	\$325,395

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$325,395	\$27,116	\$24.60	5.15%
Option 1	\$337,238	\$28,103	\$25.50	5.34%
Option 2	\$350,463	\$29,205	\$26.50	5.55%
Option 3	\$363,688	\$30,307	\$27.50	5.76%





Lakeland Health is a not-for-profit, community-owned health system in southwest Michigan. The health system comprises three hospitals, an outpatient surgery center, a regional cancer center, rehabilitation centers, two long-term care residences, home care and hospice services, and 34 affiliate physician practice locations. More than 470 primary and specialty care physicians and other licensed providers from all over the world practice medicine at Lakeland Health - Berrien County's largest employer.



The Whirlpool Corporation is an American multinational manufacturer and marketer of home appliances, headquartered in Benton Charter Township, Michigan, United States, near Benton Harbor, Michigan. The Fortune 500 company has annual revenue of approximately \$21 billion, 92,000 employees, and more than 70 manufacturing and technology research centers around the world. The company markets Whirlpool, Maytag, KitchenAid, Jenn-Air, Amana, Gladiator GarageWorks, Inglis, Estate, Brastemp, Bauknecht, Indesit, and Consul. Whirlpool Corporation is the world's largest home appliance maker. Their website also mentions Hotpoint, Diqua, Affresh, Acros, and Yummly brands

In the U.S., Whirlpool has nine manufacturing facilities: Amana, Iowa; Tulsa, Oklahoma; Cleveland, Tennessee; Clyde, Ohio; Findlay, Ohio; Greenville, Ohio; Marion, Ohio; Ottawa, Ohio; and Fall River, MA.



Created on April 2018

POPULATION	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Population	6,269	31,759	51,620
■ 2017 Estimate			
Total Population	6,280	32,147	51,870
■ 2010 Census			
Total Population	6,368	32,675	52,749
■ 2000 Census			
Total Population	6,830	34,700	55,037
■ Current Daytime Population			
2017 Estimate	10,330	38,026	57,888
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Households	3,019	13,339	21,161
■ 2017 Estimate			
Total Households	3,008	13,348	21,020
Average (Mean) Household Size	2.04	2.35	2.40
■ 2010 Census			
Total Households	3,048	13,523	21,308
■ 2000 Census			
Total Households	3,251	14,073	21,728
■ Occupied Units			
2022 Projection	3,019	13,339	21,161
2017 Estimate	3,520	15,538	24,362
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2017 Estimate			
\$150,000 or More	8.26%	6.77%	8.25%
\$100,000 - \$149,000	11.73%	9.00%	9.80%
\$75,000 - \$99,999	12.93%	10.62%	10.85%
\$50,000 - \$74,999	19.97%	17.33%	16.74%
\$35,000 - \$49,999	15.09%	13.84%	12.30%
Under \$35,000	32.00%	42.43%	42.08%
Average Household Income	\$71,757	\$61,518	\$65,946
Median Household Income	\$53,093	\$42,407	\$43,830
Per Capita Income	\$35,135	\$25,914	\$27,028

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$66,555	\$58,754	\$60,676
■ Consumer Expenditure Top 10 Categories			
Housing	\$16,773	\$14,938	\$15,230
Transportation	\$12,934	\$11,522	\$11,964
Shelter	\$9,418	\$8,372	\$8,539
Food	\$7,211	\$6,366	\$6,556
Personal Insurance and Pensions	\$5,869	\$4,830	\$5,073
Health Care	\$4,518	\$4,040	\$4,167
Utilities	\$3,754	\$3,376	\$3,445
Entertainment	\$3,153	\$2,717	\$2,804
Household Furnishings and Equipment	\$1,725	\$1,543	\$1,577
Apparel	\$1,676	\$1,433	\$1,500
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2017 Estimate Total Population	6,280	32,147	51,870
Under 20	18.85%	25.45%	26.23%
20 to 34 Years	22.48%	19.23%	18.18%
35 to 39 Years	6.03%	5.70%	5.63%
40 to 49 Years	11.81%	11.63%	11.78%
50 to 64 Years	21.16%	20.90%	20.96%
Age 65+	19.66%	17.07%	17.21%
Median Age	42.21	39.65	39.97
■ Population 25+ by Education Level			
2017 Estimate Population Age 25+	4,720	21,953	35,131
Elementary (0-8)	1.99%	2.73%	3.02%
Some High School (9-11)	5.03%	8.64%	8.33%
High School Graduate (12)	18.99%	27.54%	27.31%
Some College (13-15)	22.65%	22.03%	21.71%
Associate Degree Only	10.97%	9.22%	9.26%
Bachelors Degree Only	23.64%	17.21%	17.79%
Graduate Degree	16.46%	11.41%	11.53%

Source: © 2017 Experian



### Population

In 2017, the population in your selected geography is 51,870. The population has changed by -5.75% since 2000. It is estimated that the population in your area will be 51,620.00 five years from now, which represents a change of -0.48% from the current year. The current population is 48.10% male and 51.90% female. The median age of the population in your area is 39.97, compare this to the US average which is 37.83. The population density in your area is 659.13 people per square mile.



### Households

There are currently 21,020 households in your selected geography. The number of households has changed by -3.26% since 2000. It is estimated that the number of households in your area will be 21,161 five years from now, which represents a change of 0.67% from the current year. The average household size in your area is 2.40 persons.



### Income

In 2017, the median household income for your selected geography is \$43,830, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 24.14% since 2000. It is estimated that the median household income in your area will be \$53,954 five years from now, which represents a change of 23.10% from the current year.

The current year per capita income in your area is \$27,028, compare this to the US average, which is \$30,982. The current year average household income in your area is \$65,946, compare this to the US average which is \$81,217.

Source: © 2017 Experian



### Race and Ethnicity

The current year racial makeup of your selected area is as follows: 59.35% White, 33.92% Black, 0.02% Native American and 2.44% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 4.19% of the current year population in your selected area. Compare this to the US average of 17.88%.



### Housing

The median housing value in your area was \$143,319 in 2017, compare this to the US average of \$193,953. In 2000, there were 13,869 owner occupied housing units in your area and there were 7,859 renter occupied housing units in your area. The median rent at the time was \$395.



### Employment

In 2017, there are 36,194 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 56.92% of employees are employed in white-collar occupations in this geography, and 43.17% are employed in blue-collar occupations. In 2017, unemployment in this area is 5.16%. In 2000, the average time traveled to work was 18.00 minutes.



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