



Representative Photo



MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES
OFFERING MEMORANDUM

**901 MAKET ST,
CHERAW, SC**

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SECTION 1

EXECUTIVE OVERVIEW

- » **Recent 20-year Lease Extension** – CVS recently executed a 20-year lease extension (plus 30 years of options) displaying tenants' strong commitment to the location.
- » **Below Market Rent** – CVS is only paying \$9.32 SF/Year. Average CVS rent in the entire state of South Carolina is \$18.79 SF/Year.
- » **Bondable Absolute NNN Lease** – The tenant is fully responsible for operating expenses, maintenance, repairs, and replacements for the entire building and site, without limitation.
- » **Prototype Store Format** – Prototype store format with a drive-thru located on a signalized intersection.
- » **Historic Southern Town** – Cheraw is a pre-Revolutionary town, with a 213-acre National Register Historic District and a wonderful state park. Taxes and the cost of living here are in the lowest third in the nation. Cheraw is an easy drive to the Atlantic coast, Pinehurst and the Carolina mountains. There are fifteen golf courses within thirty miles, two of them in Cheraw.
- » **Lack of Competition** – Only CVS in Cheraw, SC, next closest freestanding pharmacy with a drive-thru is over 15 miles away.
- » **Largest U.S. Pharmacy** – In 2017, CVS Health Corporation prescription revenue was an estimated \$98.1 billion, a 23.8% market share.
- » **Nationally Recognized Investment Grade Tenant** – Lease is fully guaranteed by CVS Health Corporation (S&P's rated BBB+ & Moody's rated Baa2). CVS Health is ranked #17 on the Forbes Global 2000 in 2018.

SECTION 2 FINANCIAL OVERVIEW

INVESTMENT SUMMARY

» PROPERTY ADDRESS	901 Market St, Cheraw, SC 29520
» OFFERING PRICE	\$1,809,554
» CAP RATE	5.25%
» LOT SIZE	±1.66 AC
» GLA	±10,195 SF
» YEAR BUILT	2002

LEASE SUMMARY

Tenant Trade Name	CVS
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	Bond NNN
Roof and Structure	Tenant Responsible
Original Lease Term	20 Years
Rent Commencement Date	12/1/2018
Lease Expiration Date	12/31/2038
Term Remaining on Lease	±20 years
Increase	2.5% Every 5 Years in the options
Options	Six, 5-Year options

ANNUALIZED OPERATING DATA

	Annual Rent	Monthly Rent	Rent PSF	Cap Rate
Current to 12/31/2038	\$95,001.60	\$7,916.80	\$9.32	5.25%
Option 1	\$97,376.64	\$8,114.72	\$9.55	5.38%
Option 2	\$99,811.06	\$8,317.59	\$9.79	5.52%
Option 3	\$102,306.33	\$8,525.53	\$10.03	5.65%
Option 4	\$104,863.99	\$8,738.67	\$10.29	5.80%
Option 5	\$107,485.59	\$8,957.13	\$10.54	5.94%
Option 6	\$110,172.73	\$9,181.06	\$10.81	6.09%

DEBT QUOTE

Loan-To-Value	70%-75%
Interest Rate	4.60%-4.85%
Term	10 Years Fixed
Amortization	25-30 Years

PLEASE CONTACT BRIAN KREBS FOR MORE INFORMATION

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SECTION 3

TENANT OVERVIEW

» **Company Name**

CVS Health Corporation

» **Year Founded**

1963

» **Headquarters**

Woonsocket, Rhode Island

» **Ownership**

Public

» **Industry**

Drug Store

» **S&P Credit Rating**

BBB+



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, as well as provides photo finishing services. The company was formerly known as CVS Caremark Corporation and changed its name to CVS Health Corporation in September 2014. Hook-SuperRx, LLC operates as a subsidiary of CVS Health Corporation and retails drugs in the United States. It is based in Indianapolis, Indiana and does business as CVS Pharmacy.



QUICK FACTS

- » Largest U.S. pharmacy, based on total prescription revenue
- » 2.5 billion prescriptions filled or managed
- » More than 9,800 retail pharmacies
- » Approximately 1,100 walk-in medical clinics
- » #7 of Fortune 500 list

CVS IN THE NEWS

CVS HEALTH COMPLETES ACQUISITION OF AETNA

- » Combined company brings together capabilities of two leading organizations to establish innovative health care model
- » Care delivery will have a local focus that will make a complicated system simpler for all, helping people achieve better health at lower cost
- » Combination expected to generate significant value for shareholders through synergies and revenue-enhancing initiatives

WHAT'S NEXT FOR MINUTECLINIC

- » The trend toward the use of retail clinics is a response to a number of factors that are shaping the health care marketplace.
- » CVS is working to transform primary care by expanding their national footprint, offering new clinical services and collaborating with health systems. CVS plans to reach a goal of 1,500 clinics, and in time, half of all Americans will have a MinuteClinic within 10 miles of home.

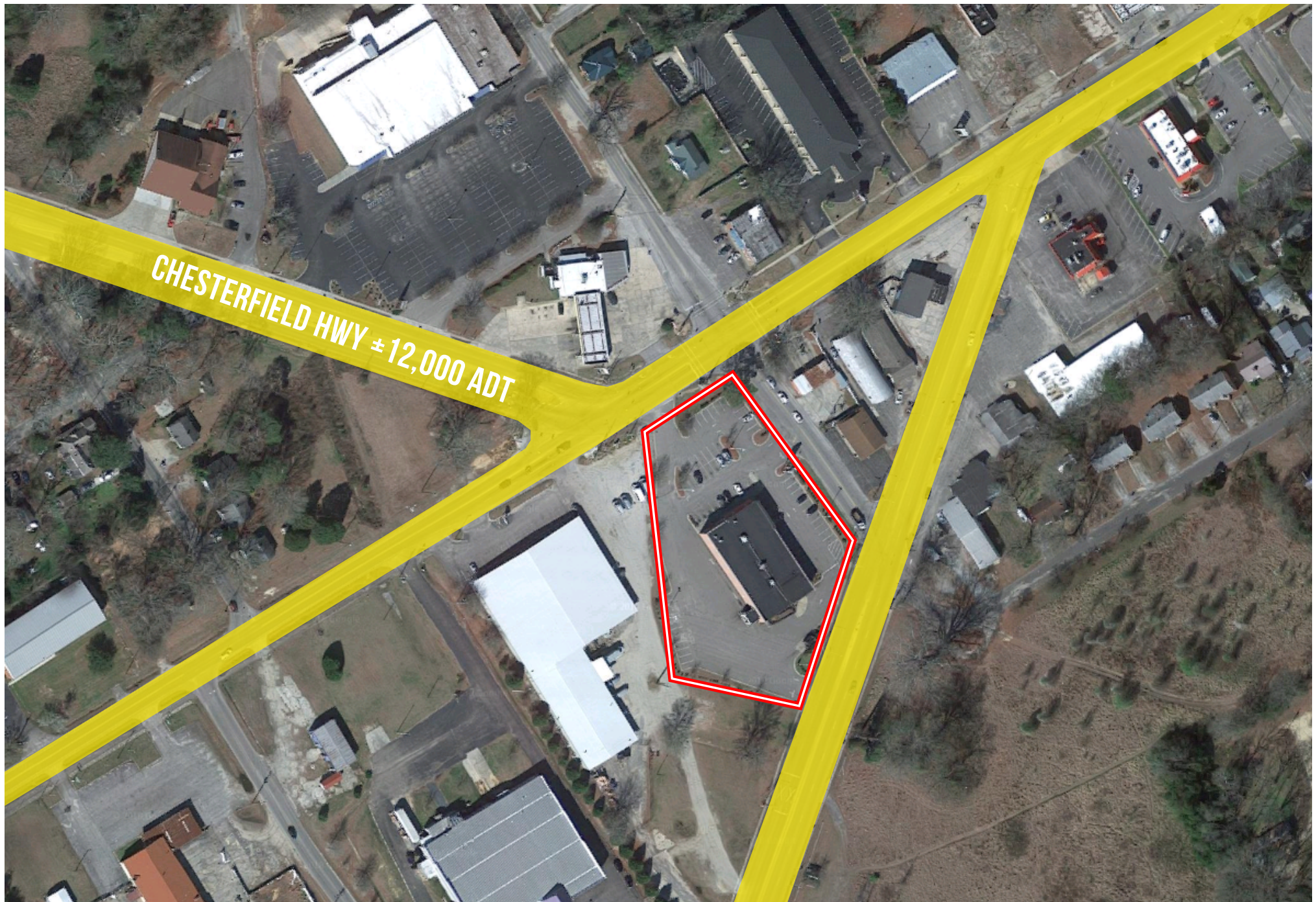
CVS PLANS CHANGES TO STORE AFTER AETNA DEAL

- » CVS Health plans to reduce the amount of store space devoted to retail and shift more to health care
- » The company will begin using a greater portion of the floor space in its nearly 10,000 locations to provide medical services
- » The deal comes as CVS is aiming to diversify its business, navigate the changing health care industry and fend off Amazon

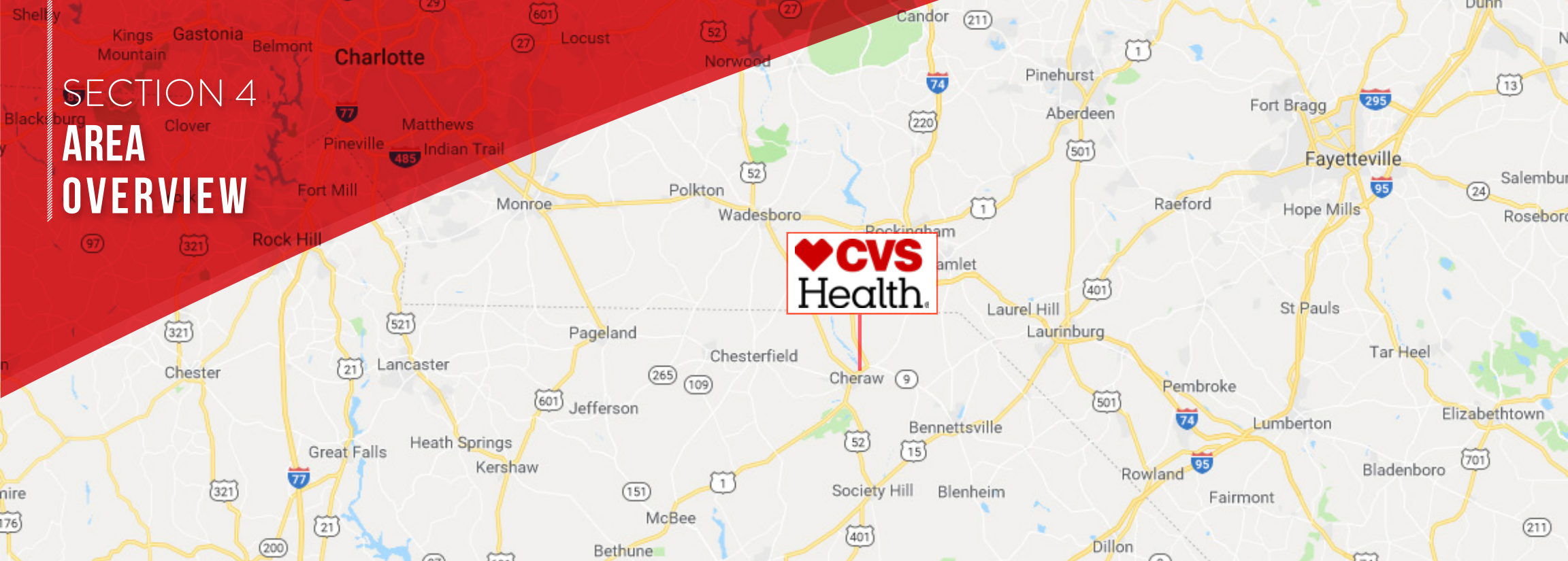
LOCAL MAP



PARCEL MAP



SECTION 4 AREA OVERVIEW



CHERAW, SC

Cheraw is rich with gardens, parks and the architectural heritage of three centuries. Located on the Pee Dee River in Chesterfield County, Cheraw sits in the northern part of South Carolina, Shop, golf, or enjoy the outdoor adventures the area has to offer. Life in Cheraw is quiet, comfortable, and beautiful. Good people making the best of their resources. Nothing elaborate; just simply celebrating life. Shop, golf, or enjoy the outdoor adventures the area has to offer. A strong economic base blends this beautiful legacy with the best of the present, making Cheraw a wonderful place to live.



DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2019 Estimate	3,843	7,860	12,236
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2019 Estimate	1,534	3,144	4,886
INCOME	1 - MILE	3 - MILE	5 - MILE
2019 Est. Average Household Income	\$54,442	\$56,104	\$57,321

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **CVS** located at **901 MARKET ST, CHERAW, SC** (“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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