



WITH RARE ANNUAL RENT INCREASES



4170 ALBANY POST ROAD | HYDE PARK | NEW YORK



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Investment Overview

Marcus & Millichap is pleased to present for sale a CVS/Pharmacy located at 4170 Albany Post Road in Hyde Park, Dutchess County, New York, featuring rare annual rent increases to hedge against inflation and strategically located less than one-quarter mile north of the highly visited Franklin D. Roosevelt National Historic Site. The subject property consists of a single-story 7,011 square foot freestanding structure positioned on a one-acre lot with 48 parking spaces. This double net (NN) leased CVS/Pharmacy asset has just under four (4) years remaining on the lease base term (expiration January 2023) and features annual three (3) percent rent increases along with four, five year tenant options to extend. The lease is corporately guaranteed by CVS Health Corporation, the 7th largest company in the Fortune 500 index with an S&P credit rating of BBB and revenues of \$194.6 billion for fiscal year 2018.

This CVS/Pharmacy has excellent visibility as it is situated on the highly trafficked Albany Post Road (19,411 Vehicles Per Day (VPD)) at its intersection with Watertown Road at the intersection's northeast corner. The subject property is uniquely positioned less than one-

quarter mile from the President Franklin D. Roosevelt National Historic Site, home to FDR's childhood home and the Franklin D. Roosevelt Presidential Library and Museum. This national treasure securely anchors this section of Albany Post Road and generates considerable traffic and economic activity from which the subject property benefits including in excess of 193,000 visitors annually. The subject property is also less than two and one-half miles from the Culinary Institute of America boasting enrollment estimated to exceed 2,700 students. The subject property is surrounded by a host of national and regional retailers including Stop & Shop, McDonald's, TD Bank, Chase Bank, Dunkin' Donuts, Verizon, Advance Auto Parts, Dollar Tree, Mavis Tire, and Dairy Queen, among others. The subject property is situated in an area with over 49,000 people living within a five-mile radius with an average annual household income of over \$76,000. This CVS/Pharmacy provides qualified investors the opportunity to purchase a NN leased asset with minimal landlord responsibilities tenanted by one of the largest retail pharmacy chains in the United States and featuring rate annual rent increases.

Investment Highlights

- CVS/Pharmacy Situated on the Highly Trafficked Albany Post Road (19,411 VPD) at Its Intersection with Watertown Road at the Intersection's Northeast Corner
- Double Net Lease with Rare Annual Three Percent Rent Increases and Nearly Four Years Remaining on the Lease Base Term
- Less than One-Quarter Mile from the President Franklin D. Roosevelt National Historic Site and Presidential Library Attracting Over 193,000 Visitors Annually
- Less Than 2.5 Miles from the Culinary Institute of America with Enrollment Exceeding 2,700 Students and Surrounded by National and Regional Retailers Including Stop & Shop, McDonald's, TD Bank, Chase, and Dunkin' Donuts, Among Others
- Situated in an Area with Over 49,000 People Living Within a Five-Mile Radius with an Average Annual Household Income of Over \$76,000
- Lease Corporately Guaranteed by CVS Health Corporation, the 7th Largest Company in the Fortune 500 with an S&P Rating of BBB

Offering Summary / Lease Overview

PRICE

\$2,472,000

Gross Leaseable Area	7,011 SF	Price Per SF	\$353
Cap Rate	6.75%	Year 1 NOI	\$166,860
Expiration	January 31, 2023	Years Remaining	4 +/- Years
Lot Size	1.00 Acres	Lease Type	Double Net (NN)

Rent Schedule

TERM	START/END DATE	INCREASES	BLENDED CAP
Base	Nov. 2014 - Nov. 2019	Flat	-
Base	Nov. 2019 - Jan. 2023	3% Annual	7.06%
Option 1	Feb. 2023 - Jan. 2028	3% Annual	8.07%
Option 2	Feb. 2028 - Jan. 2033	3% Annual	9.35%
Option 3	Feb. 2033 - Jan. 2038	3% Annual	10.84%
Option 4	Feb. 2038 - Jan. 2043	3% Annual	12.57%

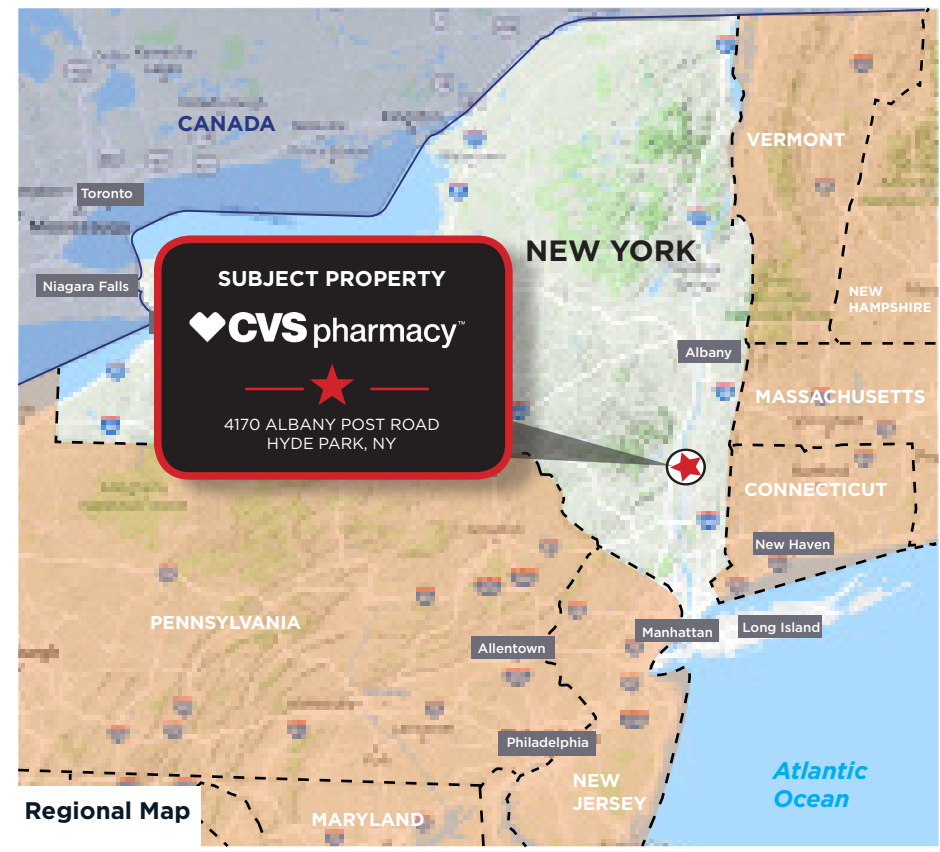
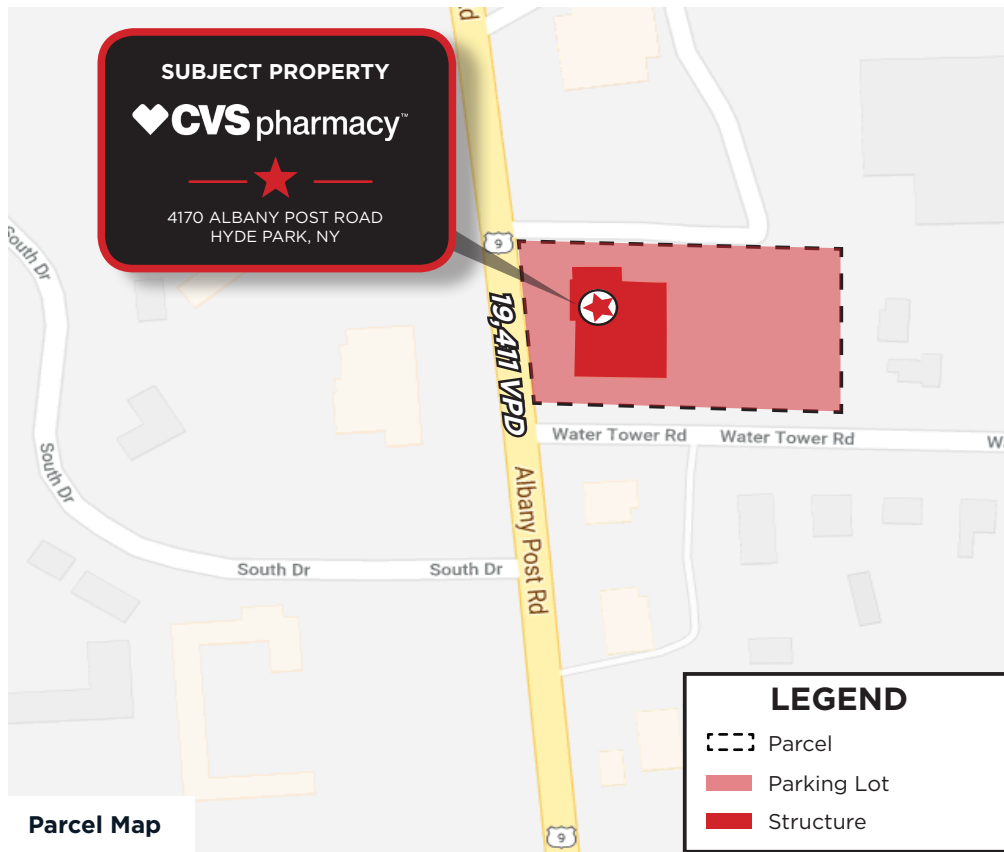
Lease Overview

Building SF	7,011 SF
Current Term Expiration	January 31, 2023
Lease Term Remaining	4 +/- Years
Rent / PSF	\$23.80
Monthly Rent	\$13,905
Annual Rent	\$166,860
Lease Type	NN
Roof & Structure	Landlord Responsibility
Options	4, 5-Year Options
Increases	Three Percent (3%) Annually Including Options
Rent Holiday	No
Guarantor	Corporate Guaranty



CVS/pharmacy

Property Details



Address	4170 Albany Post Road, Hyde Park, NY	Zoning	Commercial/Retail
Building SF	7,011	24-Hours	No
Stories/ Lot Size	1 / 1.00 Acres	Traffic Counts	19,411 VPD on Albany Post Road
Tax ID Number	23-04-25-020392-008-04	Parking Spaces	48 +/-
Taxes	\$11,984 (2018)	Frontage	180' on Albany Post Road; 280' on Watertower Road

Tenant Overview



Tenant	CVS/Pharmacy
Industry	Drug Store / Pharmacy
Type	Subsidiary
Parent	CVS Health Corporation
Public/Private	Public
Ticker Symbol	NYSE: CVS
Net Revenue (FY 2018)	\$194.6 Billion
Operating Income (FY 2018)	\$4 Billion
Credit Rating / Rating Agency	BBB/S&P Baa2/Moody's
Number of Stores	9,800+
Headquarters	Woonsocket, RI
Website	www.cvs.com
Year Founded	1967
Fortune 500 Rank (2017)	#7

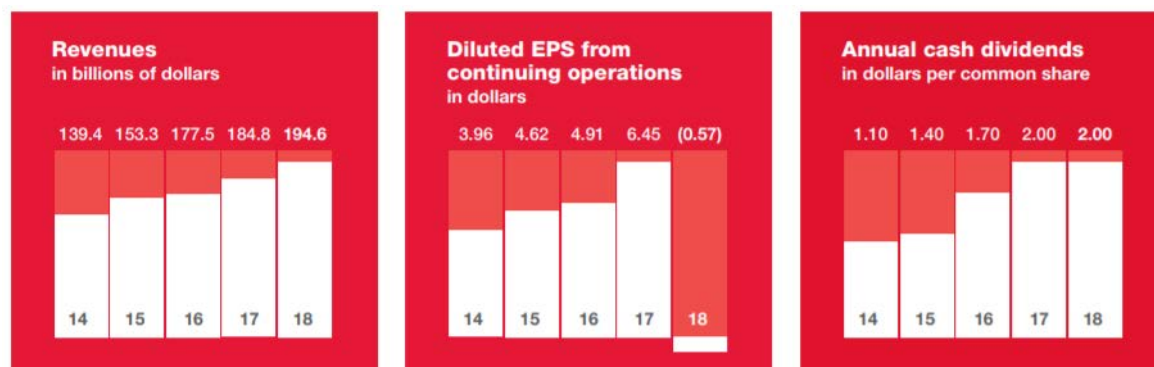
For many, CVS Health remains synonymous with the nearly 10,000 retail locations it operates across the United States. However, the company is much more than that. CVS Caremark makes CVS Health the nation's largest pharmacy benefits manager, and CVS Health is also the leader in retail clinics, speciality pharmacy, and infusion. With its recent acquisition of Aetna, CVS Health also now operates one of the nation's premier health benefits companies as well. Three strategic imperatives guide CVS Health's transformative efforts: be local, make health care simple, and improve health.

More company information available at www.cvs.com.

Financial highlights

(in millions, except per share figures)	2018	2017	% change
Revenues	\$ 194,579	\$ 184,786	5.3 %
Operating income	\$ 4,021	\$ 9,538	(57.8)%
Net income (loss)	\$ (596)	\$ 6,623	(109.0)%
Diluted EPS from continuing operations	\$ (0.57)	\$ 6.45	(108.8)%
Free cash flow*	\$ 6,828	\$ 6,354	7.5 %
Stock price at year-end	\$ 65.52	\$ 72.50	(9.6)%
Market capitalization at year-end	\$ 84,843	\$ 73,456	15.5 %

* Free cash flow is a non-GAAP financial measure that is defined as net cash provided by operating activities less net additions to properties and equipment (i.e., additions to property and equipment plus proceeds from sale-leaseback transactions). A reconciliation of net cash provided by operating activities to free cash flow can be found on page 115 of this report.



Demographic Overview



4170 Albany Post Road | Hyde Park | New York

	1 Mile	3 Miles	5 Miles
POPULATION			
2023 Projection	2,472	15,868	49,281
2018 Estimate	2,443	15,588	48,485
2010 Census	2,452	15,732	48,912
2000 Census	2,520	15,433	47,019
Projected Growth 2018-2023	1.17%	1.80%	1.64%
INCOME			
Average	\$84,538	\$88,149	\$78,884
Median	\$61,917	\$65,181	\$57,547
Per Capita	\$37,409	\$32,474	\$29,150
HOUSEHOLD			
2023 Projection	1,122	5,856	17,607
2018 Estimate	1,077	5,655	17,099
2010 Census	1,087	5,703	17,280
2000 Census	1,007	5,541	16,595



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