



SINGLE TENANT
NET LEASE
OPPORTUNITY

WESTBOROUGH | MA

HORVATH & TREMBLAY

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INVESTMENT HIGHLIGHTS



Horvath & Tremblay is pleased to present the exclusive opportunity to purchase a single-tenant, net-leased CVS investment property located at 74 E Main Street (MA Route 30) in Westborough, MA (the "Property"). The stand-alone Property is located on a highly-visible, corner parcel at the intersection of E. Main Street and Water Street in a retail trade area between Route 9 and downtown Westborough, just a short distance from Route 9, The Mass Pike (I-90) and I-495.

Due to their excellent store sales, CVS recently elected to exercise 3 of their 5-year options early, thereby extending their lease term by 15 years. The extended lease now has over 18 years of term remaining and expires in January 2038, demonstrating CVS's long-term commitment to this location.

- **LONG TERM LEASE:** Due to its strong store sales and demonstrating their commitment to the location, CVS recently elected to extend their lease early. The corporate CVS lease now has 18+ years of term remaining with three, 5-year options that include a 10% rent increase at the start of each option
- **STRONG UNIT SALES:** This location has exceptional historical sales with the prior 5-year sales averaging \$14.8 million annually. These sales are well above CVS's national and regional store average making this location one of the best performing locations in all of New England.
- **INVESTMENT-GRADE CORPORATE CREDIT:** The Lease is guaranteed by CVS Health Corporation (NYSE: CVS). CVS Health is the 7th largest company on the Fortune 500 with 2018 revenues of over \$184 billion. CVS has a current market cap of approximately \$74 billion (as of 7/15/19) and boasts an investment-grade credit rating of BBB by S&P and Baa2 by Moody's.
- **STRATEGIC RETAIL LOCATION:** The CVS is strategically located in Westborough on E Main Street (Route 30), a primary road connecting the residential neighborhoods of Westborough with Route 9 and the Mass Pike (I-90). The subject CVS enjoys a convenient in-town location and a geographic monopoly, as it is the only national pharmacy in Westborough, a higher-demographic suburb located 30 miles west of Boston.
- **REGIONAL APPEAL:** The Property is located 12 miles east of Worcester and 30 miles west of Boston. Westborough is a feeder town to both of these commercial centers due to its convenient highway access and commuter train station which serves both cities. Westborough itself is also home to several significant corporate employers including BJ's Wholesale Club, Inc., Integrated Genetics, Ami Healthcare, Inc. and Conservation Services Group, all of which employ between 500 and 5,000 people.
- **STRONG DEMOGRAPHICS:** Over 65,500 people live within a 5-mile radius of the Property with an average household income of \$153,699.
- **TRAFFIC COUNTS:** On average, over 19,600 vehicles per day pass the Property.
- **RETAIL TRADE AREA:** Additional retailers and attractions drawing consumers to the immediate trade area adjacent to Westborough center include Roche Brothers Supermarket, Santander Bank, TD Bank, Dunkin' Donuts, Ted's Montana Grill, Panera Bread, Dairy Queen and several local restaurants.



74 EAST MAIN STREET (ROUTE 30) | WESTBOROUGH, MA 01581



TYPE OF OWNERSHIP:	Fee Simple
BUILDING AREA:	10,125 SF
YEAR BUILT:	1997
LESSEE:	CVS Pharmacy, Inc.
GUARANTOR:	Corporate (CVS Center, Inc.)
LEASE TYPE:	Double Net (NN)
ROOF & STRUCTURE:	Landlord Responsibility
RENT COMMENCEMENT DATE:	02/01/1998
LEASE EXPIRATION DATE:	01/31/2038
LEASE TERM REMAINING:	18+ Years
RENEWAL OPTIONS :	3, 5-Year Options
TENANT PURCHASE OPTION:	None

	LIST PRICE:	\$6,115,500
	CAP RATE:	5.25%
	NOI:	\$321,064

LEASE TERM		ANNUAL RENT	% INC
02/01/2018 - 01/31/2038	CURRENT	\$321,064	
02/01/2038 - 01/31/2043	OPTION 1	\$353,170	10.0%
02/01/2043 - 01/31/2048	OPTION 2	\$388,487	10.0%
02/01/2048 - 01/31/2053	OPTION 3	\$427,336	10.0%

EXPENSE RESPONSIBILITIES

ROOF & STRUCTURE:	Landlord shall make, at its own cost and expense, all necessary repairs, maintenance or replacement (excluding painting and cleaning) to the exterior (excluding Tenant's storefront as set forth below) and the structural portions of the Premises including the roof and roof supports, flashings, gutters, downspouts, footings, foundations, structural supports, columns, exterior walls, bearing walls, retaining walls, floor slab and loading docks, (other than if damaged by Tenant or its agents or invitees) so as to keep the same in good condition and repair. Landlord shall further maintain in good working order and repair, and replace as necessary, all plumbing, pipes, tubes and all other conduits and utility lines leading to or from the Premises.
PARKING LOT:	Landlord shall be responsible for the maintenance, repair and/or replacement, as needed, of the sidewalks, parking areas, curbing and directional markers.
FIXTURES & EQUIPMENT:	Tenant shall replace all broken glass and shall do the work required to maintain the Premises and the fixtures and equipment of Landlord therein, including the plumbing and electrical systems and any fire sprinkler system located in the Premises.
HVAC:	Tenant shall maintain and repair the HVAC system located in and servicing the Premises, and, when necessary, at its own cost and expense, to replace the major components of such system. If any HVAC equipment is replaced by Tenant during the last (2) years of the Term, then Landlord shall reimburse Tenant after the termination of this Lease for the unamortized portion of the expenses incurred by Tenant in connection with the replacement of such equipment during the last (2) years of the Term, based on the date of the installation of such new equipment, and the useful life of said equipment under generally accepted accounting practices.
CAM:	Tenant shall maintain its own storefront and shall also be responsible for the cleaning of the parking areas and sidewalks and for the removal of snow and ice therefrom, and for any landscaping and/or gardening. Tenant shall be permitted to maintain a dumpster or similar refuse container in or near the Premises.
UTILITIES:	Tenant shall pay for all water consumed and any public sewer charges allocated to the Premises. Tenant also pays for all other utilities, including gas and electricity consumed by it in the Premises.
REAL ESTATE TAXES:	Tenant shall pay all real estate taxes, all assessments, together with penalties and interest, if any, which may be levied against the Landlord's Property.
INSURANCE:	<p>Tenant shall carry All-Risk insurance for the Premises for 100% of its reasonable replacement value, also naming the Landlord and its mortgagee as additionally insured.</p> <p>Tenant shall obtain rental value insurance for 12 months' worth of rent and other charges due to Landlord under the Lease.</p> <p>Tenant shall provide General Liability coverage in combined policy limits of not less than \$2 million and not in excess of \$5 million per occurrence, for personal injury and for property damage on Landlord's Property.</p>



**CVS HEALTH AT A GLANCE:****RETAIL PHARMACY LOCATION:** 9,800+**PHARMACY CUSTOMERS PER DAY:** 5M+**EMPLOYEES:** 290K+**CVS CAREMARK PHARMACY PLAN MEMBERS:** 93M+**AETNA MEDICAL INSURANCE PLAN MEMBERS:** 22M+**EXTRACARE REWARD MEMBERS:** 62M+**PROJECTED 2019 REVENUE:** \$246B+**ABOUT THE TENANT**

CVS Pharmacy is a subsidiary of the American retail and health care company CVS Health, headquartered in Woonsocket, Rhode Island. It was also known as, and originally named the Consumer Value Store and was founded in Lowell, Massachusetts, in 1963. CVS Health today is the 7th largest company by revenue (over \$184 billion) on the Fortune 500 and CVS Pharmacy is the 2nd largest pharmacy chain in the United States by number of locations (over 9,800 as of 2018) and total prescription revenue. CVS Health companies include CVS Pharmacy, CVS Caremark, CVS Specialty, MinuteClinic and Aetna.

CVS Health Corp. made big moves in 2018 to further expand its footprint. The company fully integrated its acquisition of Omnicare, a pharmacy specializing in nursing homes, and the pharmacies of Target stores. In November 2018, CVS also completed its \$68 billion acquisition of the health insurance company, Aetna Inc. and its 22.1 million medical members. The acquisition created a healthcare behemoth with \$246 billion in annual revenue across sectors including retail pharmacy, benefit management, and insurance.



WESTBOROUGH | MA



63,500+
PEOPLE WITHIN 5 MILES



\$153,500+
AVERAGE HOUSEHOLD INCOME



19,692 VPD
EAST MAIN STREET

OVERVIEW

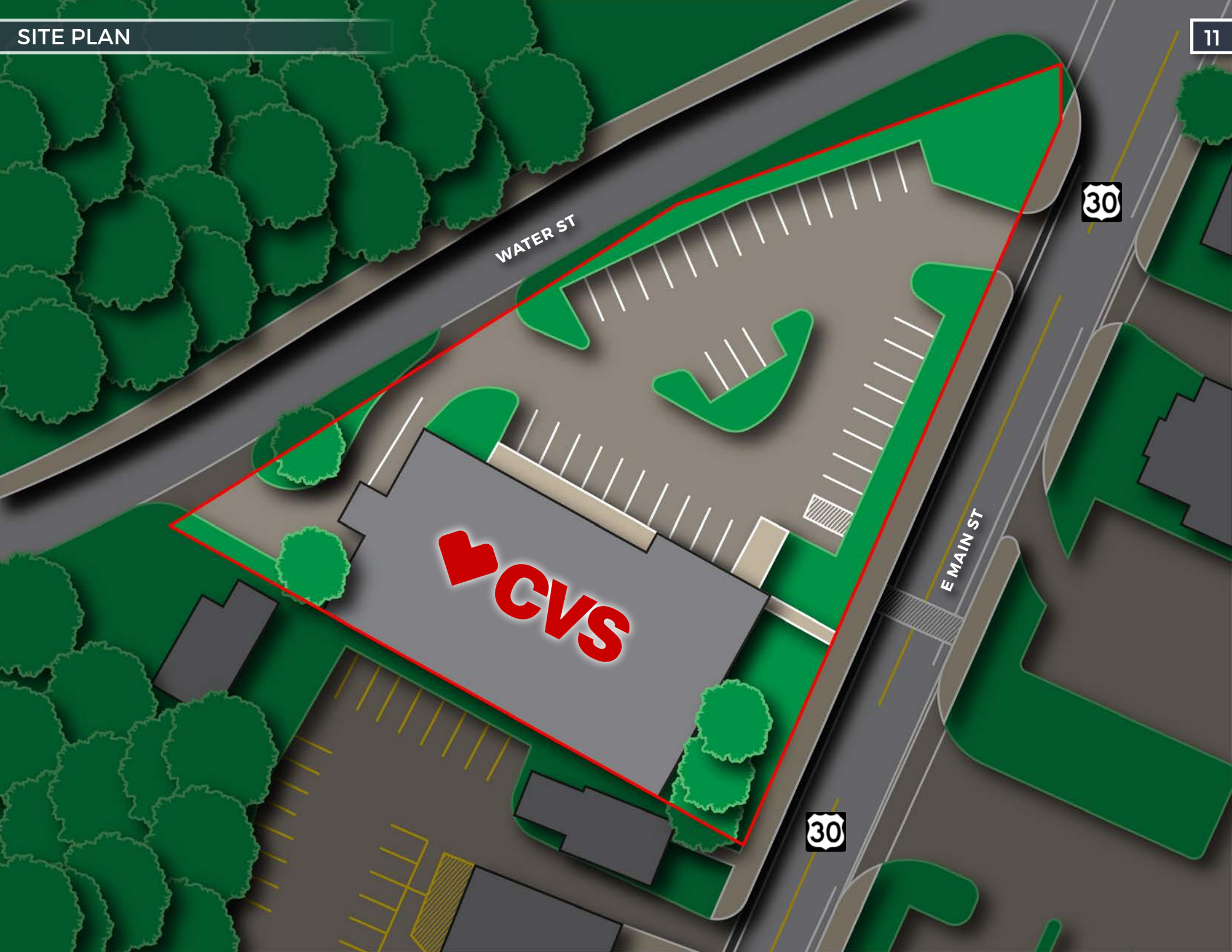
Westborough is a town in Central Massachusetts located next to Worcester, MA and West of Boston, MA. Westborough is a quintessential New England town, offering the charm of a smaller community, with the nearby amenities of a larger city. The town is strategically located, and benefits from it's close proximity to numerous area thoroughfares, and public transportation options. Westborough is traversed by several major thoroughfares (Interstates 90 & 495, as well as Routes 9, 30 and 135) providing access to all of the state's eastern labor markets (12 miles to Worcester and 29 Miles to Boston). The town is also located along the MBTA (rail service) moving East/West along the Framingham Line, with service into Boston, as well as to the Bus line. Westborough, was founded in 1717 and originally was home to Industries related to agriculture, and forestry. Today, Westborough is home to several significant companies including BJ's Wholesale Club, Inc., Integrated Genetics, Ami Healthcare, Inc., and Conservation Services Group, all of which employ between 500 and 5,000 people. This local area labor force, combined with the numerous opportunities at national and regional companies located between Worcester and Boston, make Westborough a desirable residential community.

	3 MILES	5 MILES	10 MILES
POPULATION			
2019 Estimate	24,378	63,777	382,605
2024 Projection	25,042	65,342	393,383
2010 Census	22,608	58,222	361,461
BUSINESS			
2019 Est. Total Business	1,826	4,025	19,336
2019 Est. Total Employees	23,824	55,129	244,228
HOUSEHOLDS			
2019 Estimate	9,271	23,615	149,406
2024 Projection	9,502	24,196	154,185
2010 Census	8,373	21,021	138,717
INCOME			
Average Household Income	\$141,359	\$153,699	\$117,031
Median Household Income	\$122,474	\$125,761	\$95,745









AREA LOCATION MAP



