

**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES  
OFFERING MEMORANDUM



 **CVS**  
pharmacy<sup>®</sup>

206 South Main Street  
Hemingway, SC 29554





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### BROKER OF RECORD

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# Investment Highlights



*Matthews™ is pleased to offer the rare opportunity to acquire the fee simple interest in CVS Pharmacy (“the Property”) an 11,475 square-foot asset in the town of Hemingway, South Carolina. With a proven operating history (25+ Years) this is the only CVS or “Investment Grade” drug store asset in 20 miles.*

» **Rare Price Point:**

» CVS currently paying just \$9.71/SF in rent., an extremely cheap price point for a stabilized drug store property.

» **25 Year Operating History:**

» With a lease in-place since 1996 this store has a proven location and operating history for over 25 years and counting.

» **Only CVS in a 22-mile radius:**

» This is the only investment-grade drug store in over 20 miles

» **Investment Grade Tenant:**

» Baa2/BBB





## Investment Summary

» <b>PROPERTY ADDRESS</b>	206 S Main Street Hemingway, SC
» <b>OFFERING PRICE</b>	\$1,626,599
» <b>CAP RATE</b>	6.85%
» <b>LOT SIZE</b>	±1.35 AC
» <b>GLA</b>	±11,475 SF
» <b>YEAR BUILT</b>	1996

## Lease Summary

Tenant Trade Name	CVS
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term	15
Lease Date	11/12/1996
Lease Commencement Date	11/12/1996
Lease Expiration Date	10/31/2021
Term Remaining on Lease	±1.71 years
Options	3x5 Years

## Annualized Operating Data

Term	Lease Years	Annual Rent	Monthly Rent	Rent PSF	Increase	Cap Rate
Current	20-25	\$111,422.04	\$9,285.17	\$9.71		6.85%
Option	25-30	\$117,159.00	\$9,763.25	\$10.21	5.15%	7.20%



# Lease Abstract



<b>Tenant:</b>	CVS Pharmacy., a Delaware Corp
<b>Tenant Address:</b>	One CVS Drive, Woonsocket, RI 02895
<b>Property Address:</b>	206 South Main Street Hemingway, SC
<b>CVS Store Number</b>	7531
<b>Lease Effective Date:</b>	November 12th 1996
<b>Lease Commencement:</b>	November 12th 1996
<b>Lease Expiration:</b>	November 12th 2021
<b>Original Lease Term:</b>	The term of this lease shall commence on November 12th, 1996 and terminate on the last day of the fifteenth (15th) consecutive lease year.
<b>Fixed Rent:</b>	\$9,285.17 per month
<b>Maintenance:</b>	<p>Tenant shall maintain and repair the heating, air conditioning, plumbing, gas, electrical and other similar units and systems within or on the roof and exclusively serving the premises.</p> <p>Tenant agrees to pay Landlord Annually, in addition to the rent provided hereunder, its pro rate share of the costs for those services to the parking and other common areas to be performed by Landlord. Notwithstanding the foregoing, Tenant's pro rata share of said Commons Area Charge shall not exceed:</p> <ol style="list-style-type: none"> <li>1. 35c per square foot per lease during years 1 through 15</li> <li>2. 40c per square foot lease year during the years of the first five-year option</li> <li>3. 45c per square foot per lease year during the years of the second five-year option</li> <li>4. 50c per square foot per lease year during the years of the third five-year option</li> </ol>
<b>Parking Lot:</b>	Landlord shall make all necessary replacements, repairs, and perform all necessary maintenance and custodial services for the common areas: to the parking area, including striping of lanes and elimination of cave-ins and pools of water and shall maintain the driveways and sidewalks in good condition.
<b>Real Estate Taxes:</b>	Landlord will pay all general real estate taxes and assessments for betterments or improvements. Tenant agrees to reimburse landlord as set forth below for Tenants pro rate share of any such real estate taxes and assessments.
<b>Insurance:</b>	Tenant shall, during the entire term hereof, keep in full force and effect a policy of public liability and property damage insurance with respect to claiming arising from the use and occupancy of the premises by tenant under which the limits of public liability shall be not less than One Million Dollars (\$1,000,000)
<b>Utilities:</b>	Tenant shall pay when due all bills for gas, water, electricity and other utilities used on the premises.
<b>Tenant Assignment and Subletting:</b>	Tenant shall have the right, without Landlord's consent, to assign this lease or sublet the Premises: a) to the parent or a subsidiary of Tenant; b) to a subsidiary or affiliate of Tenants parent; c) to any entity with which Tenant or Tenant's parent may merge or consolidate.
<b>Right of First Refusal:</b>	None
<b>Estoppel:</b>	Landlord and Tenant agree, within fifteen (15) days of receipt of written request therefor, to execute, acknowledge and deliver to either party requesting such.



# 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-SupeRx, 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

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## 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



# Surrounding Tenants









## FLORENCE, SC

Located just 40 miles from Hemingway and the subject property, Florence is a city brimming with history, character, and Southern charm. This mid-sized Southern city is large enough to boast a performance theater, symphony orchestra, many ballet companies, museums, festivals, the Pee Dee Cyclones in the Southern Professional Hockey league, and the world-class recreation complex Freedom Florence. Still, the City is small enough to preserve a small-town feeling with a number of tree-lined streets and parks, all of which add to the pleasant lifestyle that citizens enjoy. Residents exude a strong sense of community pride and Southern hospitality.

The City of Florence is the largest in the Northeastern portion of South Carolina in the heart of eight counties between the Piedmont and Coastal regions of South Carolina. The City is approximately 40 miles Northwest of Hemingway, SC; 80 miles Northeast of Columbia, SC; 100 miles North of Charleston, SC; 90 miles South of Fayetteville, NC; and about 70 miles West of Myrtle Beach, SC. Florence is the largest city in Florence County and serves as the county seat.

Florence is located at the intersection of I-95, the major north/south artery on the East Coast, and I-20 that begins in Florence and runs through Atlanta to the western United States. U.S. Highways 52, 301, and 76 also meet in Florence, providing access to Charleston, Myrtle Beach, and a direct connection via U.S. 76 with Chicago. In addition, Florence is accessible by a recently expanded regional airport, twenty trucking terminals, and both Amtrak and CSX railway services.

## AREA DEMOGRAPHICS

INCOME	1-MILE	3-MILE	5-MILE
2020 Average Household Income	\$58,750	\$59,465	\$59,761

## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **CVS** located at **206 SOUTH MAIN STREET, HEMINGWAY, SC 29554**. (“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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