

# CVS Pharmacy



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Aerial Video

## OFFERING MEMORANDUM



850 Pennsylvania Avenue  
Monaca, PA 15061

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# Investment Highlights



PRICE: \$4,667,896 | CAP: 5.75% | RENT: \$268,404

## About the Investment

- ✓ 12.5+ Years Remaining on Original 25-Year Triple-Net (NNN) Lease
- ✓ Attractive Rental Escalations | 5% Every Five-Years In Option Periods
- ✓ Tenant Renewal Options: Ten (10) Periods of Five (5) Years, Each bringing the Potential Lease Term Remaining to 64 Years
- ✓ Corporate Guarantee | Investment Grade (NYSE: CVS) S&P Rated: BBB+

## About the Location

- ✓ Positioned On the Hard Corner of a Signalized Intersection | Combined 32,964 Vehicles Each Day
- ✓ Located Within Close Proximity of a Variety of National Tenants| Walmart, Lowe's, Aldi, Target, McDonald's, Panera, Starbucks, Taco Bell, and More
- ✓ Anchor Hocking Manufacturing Plant | Located Directly Behind This CVS – Largest Manufacturer of Glassware in the United States
- ✓ Township Marketplace | Located Two-Miles from Subject Property | 300,000 SF of Retail Including the Only Movie Theatre Within a 13-Mile Radius
- ✓ Three Modes of Ingress/Egress | Full Service, Multiple Lane Drive-Thru
- ✓ Beaver Valley Mall | 1,153,000 Million SF of Retail | Nearly 100 Stores, Food Court, and Fitness Center

## About the Tenant/Brand

- ✓ CVS Health is one of the nation's largest retail pharmacy chains, with 7,700 stores located in 42 states, the District of Columbia, and Puerto Rico
- ✓ As of 2017, CVS ranked seventh on the Fortune 500 and 18th on the Fortune Global 500 list with \$177B in annual revenue
- ✓ CVS Health fills more than one of every seven retail prescriptions in America and one of every five in their own markets



Marcus and Millichap is pleased to present the exclusive offering of a CVS Pharmacy and Cumberland Farms located at 850 Pennsylvania Avenue in Monaca, Pennsylvania. The property consists of 11,945 square feet of building space and is situated on roughly 1.20 acres of land. The CVS is subject to an original 25-year triple net (NNN) lease, which commenced on May 1, 2007. The current annual rent is \$268,404. The rent will increase by 5% in each of the 5-year tenant renewal option periods.



# Financial Analysis: CVS Pharmacy



PRICE: \$4,667,896 | CAP: 5.75% | RENT: \$268,404

## PROPERTY DESCRIPTION

Property	CVS Pharmacy
Property Address	850 Pennsylvania Avenue
City, State, ZIP	Monaca, PA 15061
Year Built / Renovated	2006
Building Size	11,945 SF
Lot Size	+/- 1.20 Acres
Type of Ownership	Fee Simple

## CURRENT RENT

Annual Rent	\$268,404
CAP Rate	5.75%
Purchase Price	\$4,667,896

## LEASE SUMMARY

Property Type	Net-Leased Drug Store
Ownership Type	Public
Tenant / Guarantor	Corporate
Original Lease Term	25.0 Years
Lease Commencement	May 1, 2007
Lease Expiration	January 31, 2033
Lease Term Remaining	12.50+
Lease Type	NNN
Roof & Structure	Tenant Responsible
Rental Increases	5% Each Option Period
Options to Renew	Ten (10), Five (5)-Year Options

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
05/2007-01/2033	\$268,404.00	\$22,367.00	-
Option Schedule			
Option 1	\$281,824.20	\$23,485.35	5.00%
Option 2	\$295,915.41	\$24,659.62	5.00%
Option 3	\$310,711.18	\$25,892.60	5.00%
Option 4	\$326,246.74	\$27,187.23	5.00%
Option 5	\$342,559.08	\$28,546.59	5.00%
Option 6	\$359,687.03	\$29,973.92	5.00%
Option 7	\$377,671.38	\$31,472.62	5.00%
Option 8	\$396,554.95	\$33,046.25	5.00%
Option 9	\$416,382.70	\$34,698.56	5.00%
Option 10	\$437,201.83	\$36,433.49	5.00%



# Tenant Overview



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. The chain was owned by its original holding company Melville Corporation since its inception until its current parent company CVS Health was spun off into its own company in 1996. CVS Pharmacy is currently the largest pharmacy chain in the United States by number of locations (over 9,900 as of 2018) and total prescription revenue. As the retail pharmacy division of CVS Health, it ranks as the 7th largest U.S. corporation according to Fortune 500 in 2018 with revenues of more than \$194 Billion. CVS/pharmacy's leading competitor Walgreens Boots Alliance is ranked 37th.

CVS sells prescription drugs and a wide assortment of general merchandise, including over-the-counter drugs, beauty products and cosmetics, film and photo finishing services, seasonal merchandise, greeting cards, and convenience foods through their CVS/pharmacy and Long Drugs retail stores and online through CVS.com. It also provides healthcare services through its more than 1,100 MinuteClinic medical clinics as well as their Diabetes Care Centers. Most of these clinics are located within CVS stores.



Representative Photo



Representative Photo

MinuteClinics are staffed by nurse practitioners and physician assistants who specialize in family health care, and are trained to diagnose, treat, and write prescriptions for minor acute illnesses such as strep throat and ear, eye, sinus, bladder, skin, and lung infections. Vaccinations, such as influenza, tetanus-pertussis, pneumovax, and Hepatitis A & B are available at all locations.



Representative Photo





# Location Overview

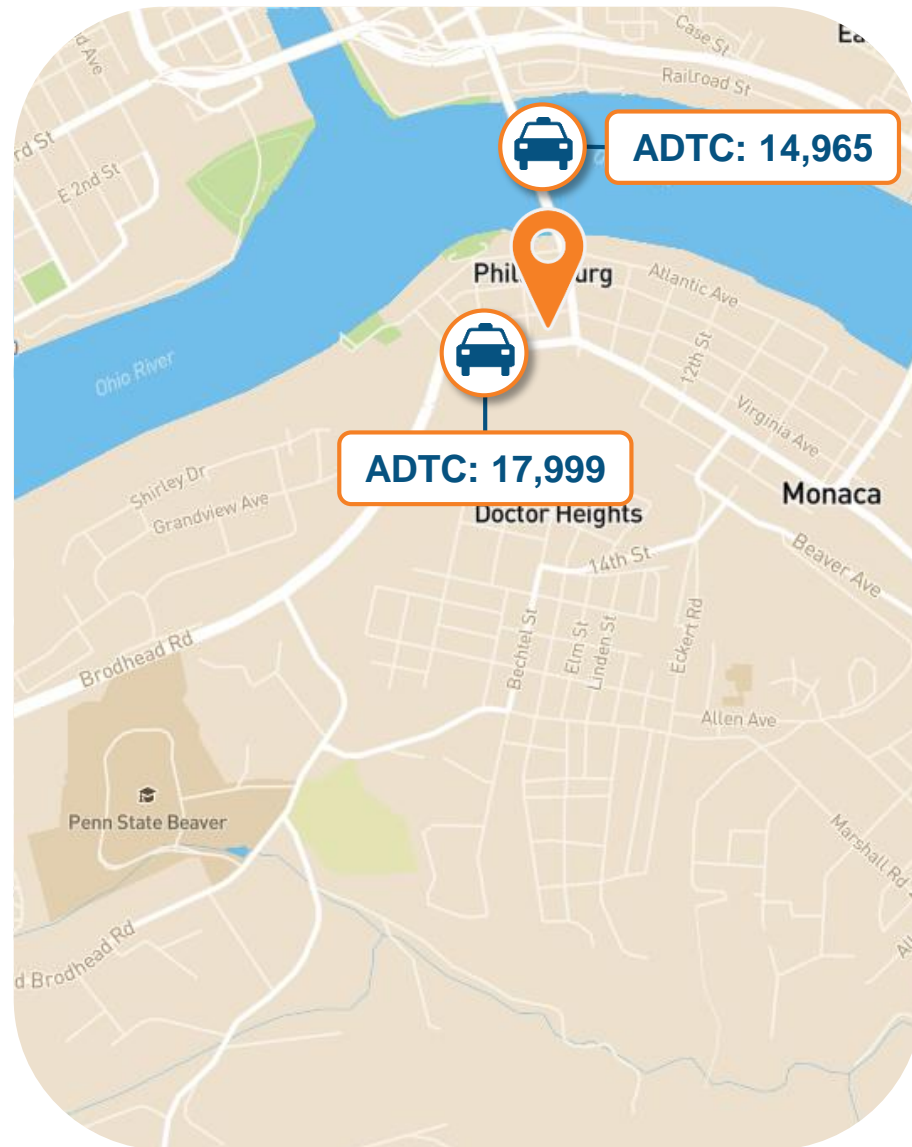


This CVS Property is located at 850 Pennsylvania Avenue, Monaca, Pennsylvania. Monaca is located along the Ohio River, approximately 25 miles northwest of Pittsburgh.

This CVS is strategically located along Pennsylvania Avenue, where it intersects with 9th Avenue and the Monaca-Rochester Bridge. This intersection has an average daily traffic count of 17,999 vehicles. Nearby, the intersection of Pennsylvania Avenue and 6th Street has an average daily traffic count of 14,965 vehicles. There are approximately 34,220 people residing within a three-mile radius and more than 68,890 residing within a five-mile radius of this CVS.

Located less than 20-miles from this CVS property is the Pittsburgh International Airport, which served roughly 8,309,750 passengers last year. This CVS benefits from its strategic location in close proximity to a variety of national retailers. National retailers include: Wal-Mart, Lowe's, Aldi, Target, Panera, McDonald's, Taco Bell, Starbucks and many more. There are numerous hospitality locations near this CVS property including: Hampton Inn, Fairfield Inn and Suites, Comfort Inn, and Holiday Inn Express. Less than 2.5-miles from the subject property is the Beaver Valley Mall, which contains over 1.1 million square feet of retail, including nearly 100 stores, a food court, and a fitness center. Additionally, located in close proximity to this CVS are three college campuses, Penn State Beaver Campus, Community College of Beaver County, and Geneva College. The colleges have a combined enrollment that exceeds 6,300 students.

Monaca is a borough in Beaver County, PA, approximately 25 miles northwest of Pittsburgh. Pittsburgh has re-invented itself as a hub for education, medicine, and research. The area has also served as the long-time federal agency headquarters for cyber defense, software engineering, robotics, energy research, and the nuclear navy. The area is home to 68 colleges and universities. The nation's fifth-largest bank, eight fortune 500 companies, and six of the top 300 U.S. law firms make their global headquarters in the Pittsburgh area. BNY Mellon, Nova, FedEx, Bayer, and NIOSH have regional bases that helped Pittsburgh become the sixth-best area for US job growth. Pittsburgh is rapidly rising to the top of cities worth visiting. Recently, Pittsburgh was rated the nation's "No. 1 Food City" by Zagat and "Top Destinations on the Rise" by TripAdvisor.





# Surrounding Area







# Surrounding Area







# Property Photos



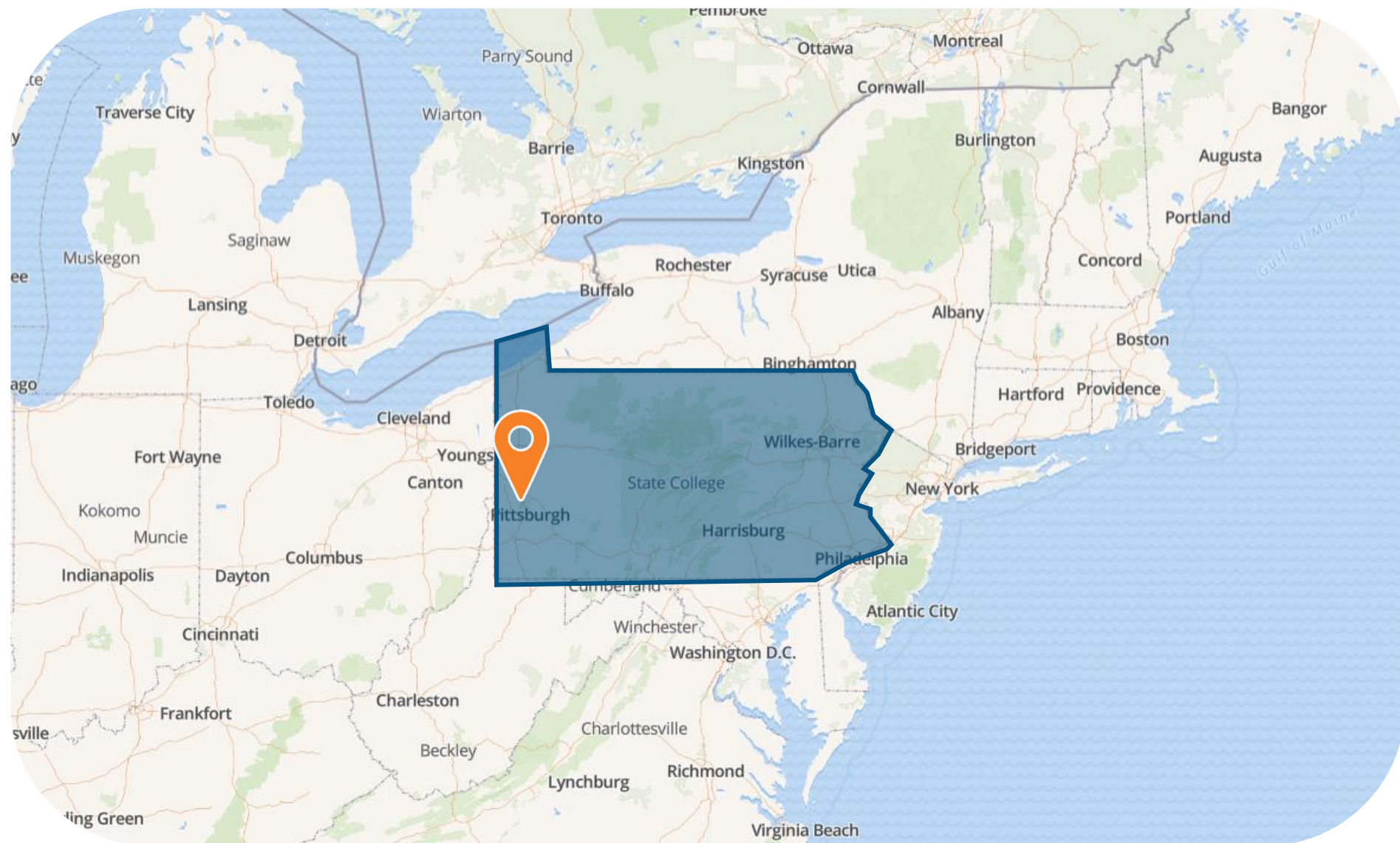




# Property Photos

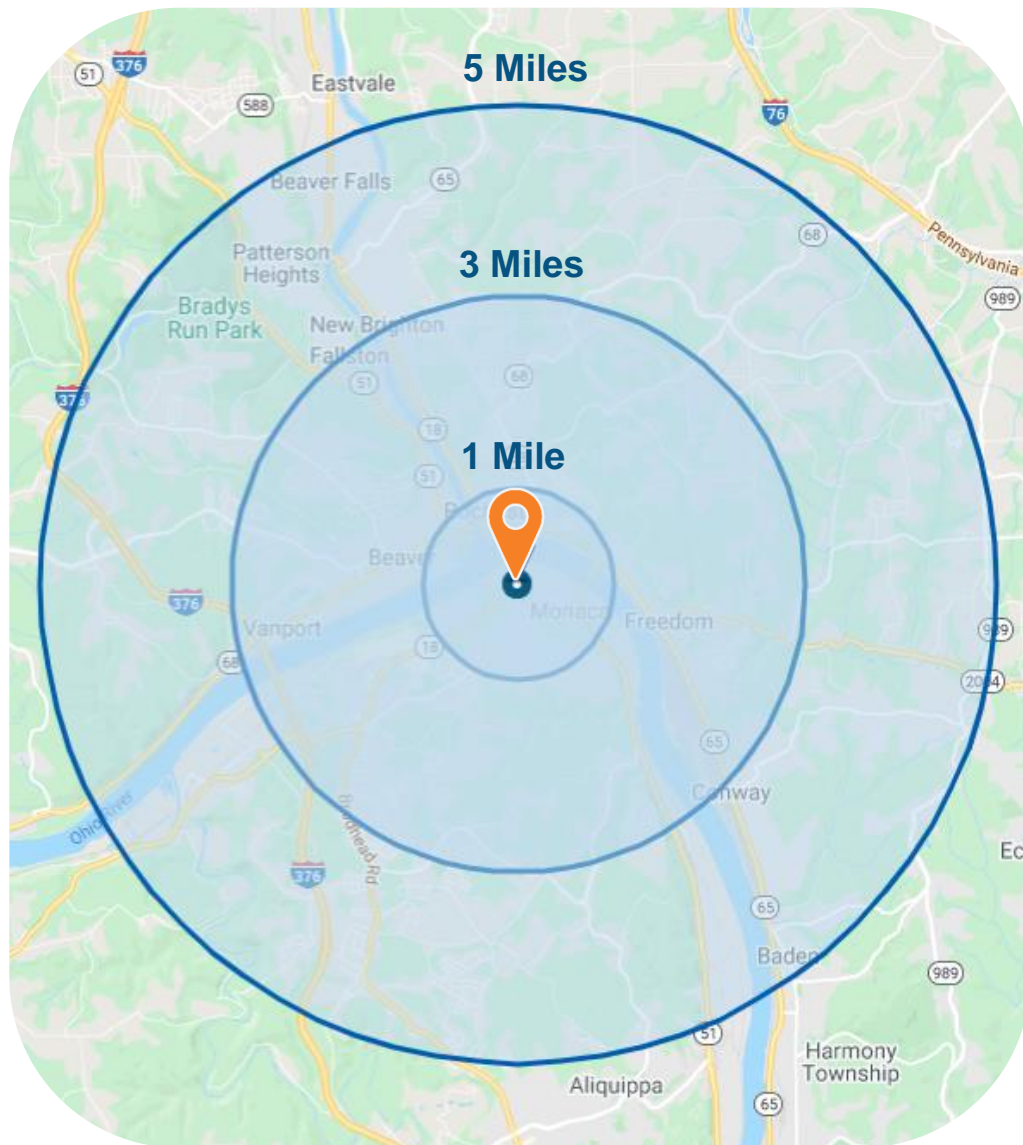








# Demographics



	1 Mile	3 Miles	5 Miles
<b>POPULATION</b>			
2024 Projection	7,381	34,242	68,893
2019 Estimate	7,383	34,223	68,892
2010 Census	7,375	34,202	68,860
2000 Census	8,062	36,843	73,095
<b>INCOME</b>			
Average	\$56,294	\$69,635	\$72,147
Median	\$45,477	\$53,558	\$56,211
Per Capita	\$25,840	\$30,089	\$30,652
<b>HOUSEHOLDS</b>			
2024 Projection	3,389	14,781	29,209
2019 Estimate	3,359	14,650	28,942
2010 Census	3,377	14,714	29,076
2000 Census	3,564	15,106	29,435
<b>HOUSING</b>			
2019	\$109,005	\$134,583	\$137,683
<b>EMPLOYMENT</b>			
2019 Daytime Population	8,438	40,725	67,836
2019 Unemployment	4.37%	4.33%	4.94%
2019 Median Time Traveled	24	25	26
<b>RACE &amp; ETHNICITY</b>			
White	90.39%	91.42%	90.32%
Native American	0.01%	0.01%	0.02%
African American	5.36%	4.66%	5.91%
Asian/Pacific Islander	0.43%	0.63%	0.61%





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