

CONFIDENTIAL OFFERING MEMORANDUM



GROUND LEASE

ABSOLUTE NNN LEASE

2910 E MILTON AVENUE, YOUNGSVILLE, LA



STIRLING
INVESTMENT ADVISORS



GROUND LEASE

Table of Contents

03

EXECUTIVE
SUMMARY

04

PROPERTY
DESCRIPTION

09

TENANT
OVERVIEW

10

FINANCIAL
OVERVIEW

12

AREA
OVERVIEW

16

COMPANY
OVERVIEW

19

CONFIDENTIALITY
AGREEMENT

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/ EXECUTIVE SUMMARY /



INVESTMENT HIGHLIGHTS

Absolute NNN Leasehold - Manage with Ease

- 15+ Years Remaining on Absolute NNN Lease—Zero Landlord Responsibilities
- Renewal options totaling 45 years
- Nine (9), 5-Year Renewal Option Periods
- Fixed 6% Rental Increase at Each Option
- Iconic Asset and Pride Owning America's #1 Retail Drugstore Chain

Superior Retail Location in Youngsville, LA

- Strategically Positioned Outparcel Located on Hard-Corner
- Located in Front of Rouses Market—A Dominant Regional Chain
- Multiple Points of Ingress & Egress | Drive-Thru Pharmacy
- Strong Demographics—Avg. HH Income: \$86,414 w/in 1-Mile Radius

Excellent 1031 Exchange Asset

- Investment Grade Tenant/S&P: BBB/Stable Guaranty (CVS)
- Investment Grade Credit—Reliable Income Streams
- Stable Income—Fixed Rental Increases At Each Option
- \$55+ Billion in CVS Corporate Revenue—Net Income in Excess of \$1.6+ Billion

/ PROPERTY DESCRIPTION /

PROPERTY SUMMARY

Exclusively offered by Stirling Investment Advisors, the property presents an opportunity to purchase a CVS ground lease with zero landlord responsibilities. This is an Absolute NNN lease with 15+ years of fixed term remaining. Renewal options include Nine (9) - 5-year option periods increasing at a rate of 6% in each option.

The pharmacy is strategically located on a hard-corner within a well-established retail corridor. The CVS outparcel sits in front of Rouses Market, a dominant regional grocery store chain. The building includes a drive-thru and multiple points of ingress and egress.

CVS dominates the market and is the largest pharmacy care provider in the United States with offerings across the entire spectrum of pharmacy care. It operates in 49 states as well as Puerto Rico and the District of Columbia. It employs over 203K people and recently announced it was adding much needed labor to its workforce. This is an investment opportunity that will provide stabilized income for years to come.



/ PROPERTY DESCRIPTION /

FINANCIAL INFORMATION

Price	\$3,238,095
Net Operating Income	\$170,000
Cap Rate	5.25%
Lease Type	Absolute NNN (Ground Lease)

PROPERTY SPECIFICATIONS

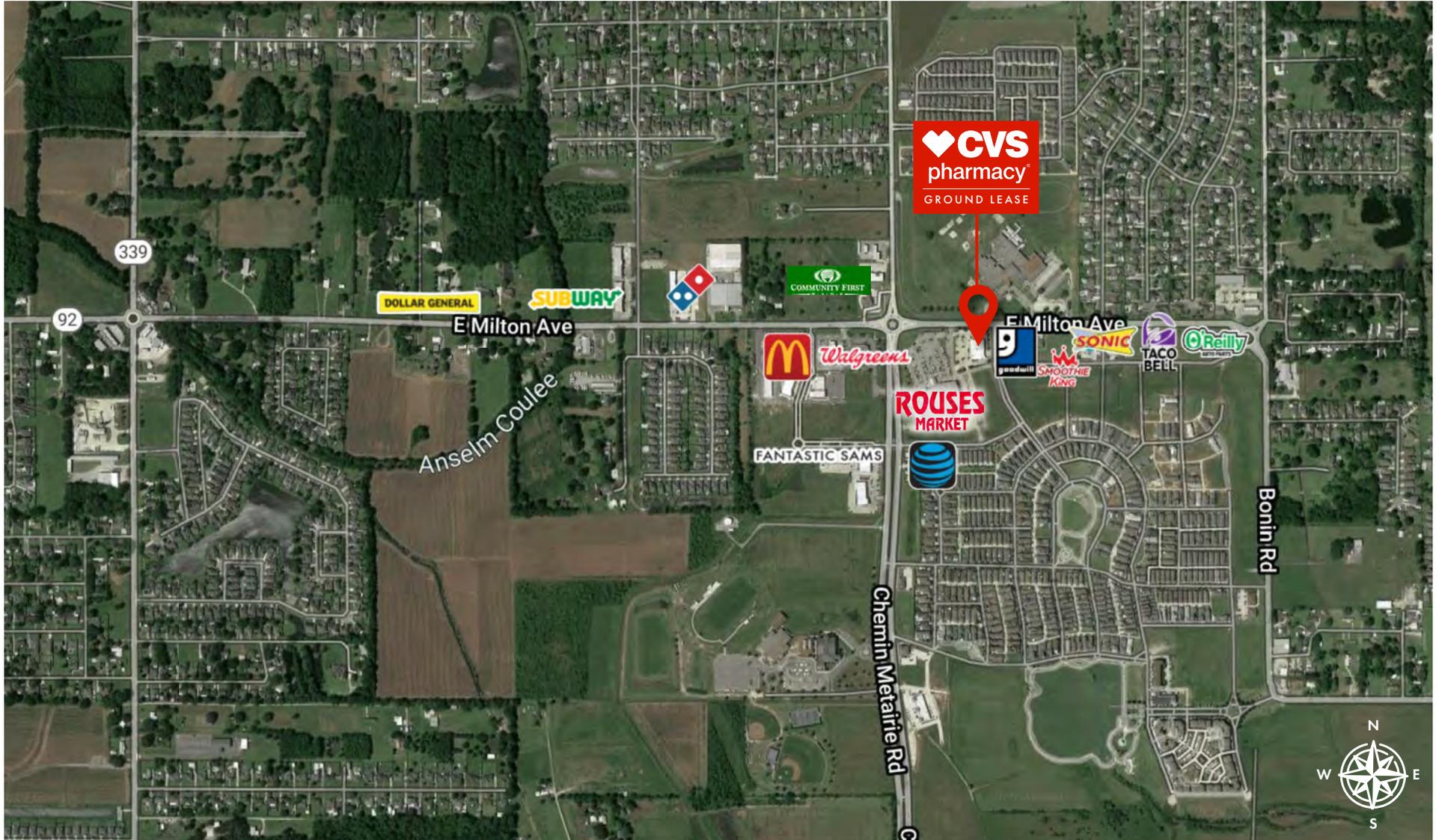
Year Built	2010
Land Area	1.86 Acres
Address	2910 East Milton Avenue Youngsville, LA 70592





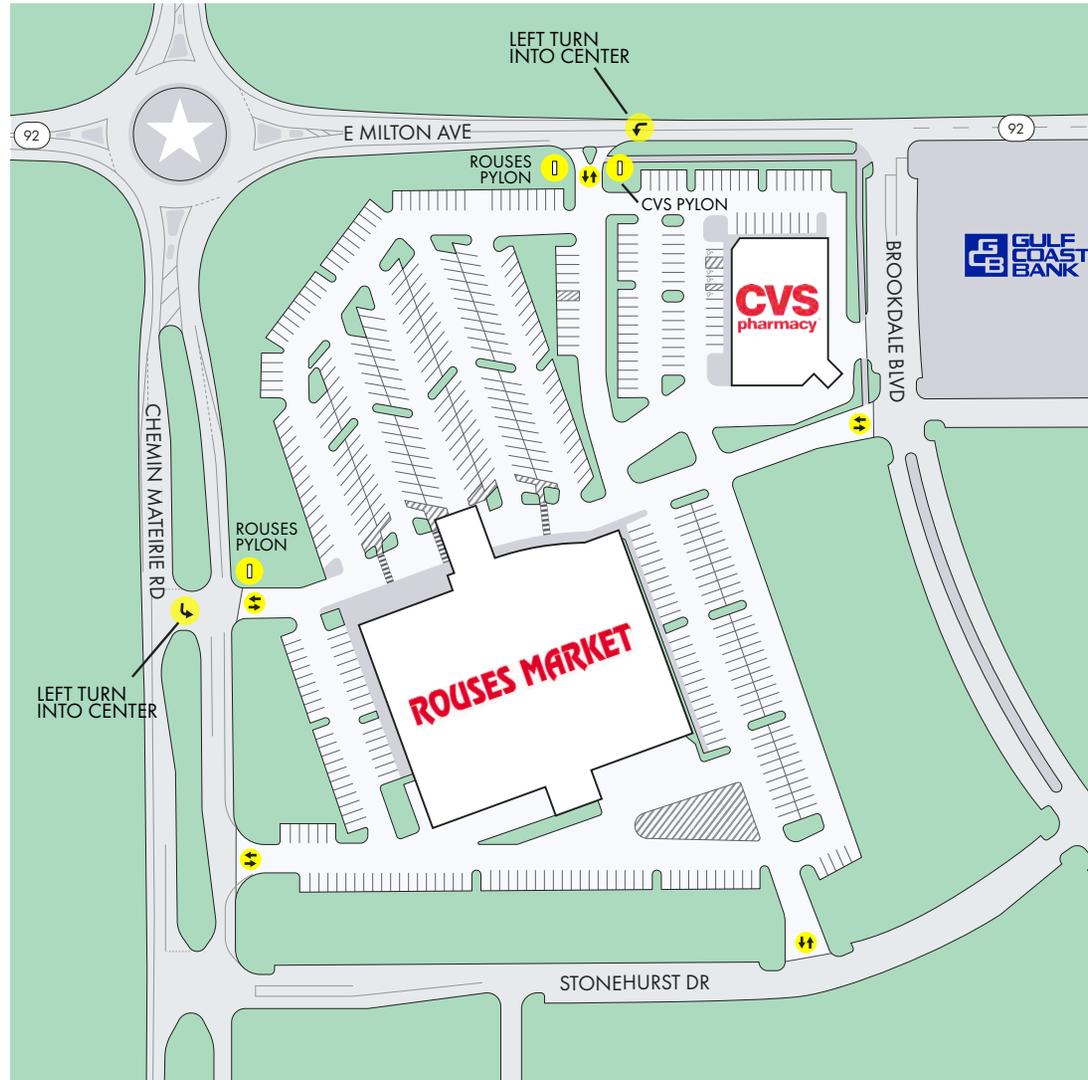
/ PROPERTY DESCRIPTION /

RETAIL AMENITY AERIAL



/ PROPERTY DESCRIPTION /

SITE PLAN



*Measurements not warranted

/ TENANT OVERVIEW /



CVS Health Corporation together with its 68,000 + subsidiaries, provides integrated pharmacy health care in 49 states, D.C. and Puerto Rico. The company's Retail Pharmacy segment sells prescription and over the counter drugs, beauty products, seasonal merchandise, greeting cards, and convenience foods, as well as photo finishing services. CVS fills 33.6% of all retail prescriptions in the U.S. and its pharmacies account for 2/3 of CVS's revenue

As of December 31, 2018, CVS has more than 9,900 retail drugstores, 1,100 MinuteClinic locations, and is a leading pharmacy benefits manager with approximately 92 million plan members.

\$194.6 Billion

2018 REVENUE

9,900+

LOCATIONS IN 49 STATES,
D.C. AND PUERTO RICO

50M+

MINUTECLINIC
PATIENT VISITS

/ FINANCIAL OVERVIEW /

RENT ROLL

TERM	LEASE START	LEASE EXPIRES	ANNUAL RENT	MONTHLY RENT
Primary	February 2010	January 2035	\$170,000	\$14,167
Option #1	February 2035	January 2040	\$180,200	\$15,017
Option #2	February 2040	January 2045	\$191,012	\$15,918
Option #3	February 2045	January 2050	\$202,472	\$16,873
Option #4	February 2050	January 2055	\$214,621	\$17,885
Option #5	February 2055	January 2060	\$227,498	\$18,958
Option #6	February 2060	January 2065	\$241,148	\$20,096
Option #7	February 2065	January 2070	\$255,617	\$21,301
Option #8	February 2070	January 2075	\$270,954	\$22,580
Option #9	February 2075	January 2080	\$287,211	\$23,934



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CVS
pharmacy
GROUND LEASE

/ AREA OVERVIEW /

LOCATION OVERVIEW

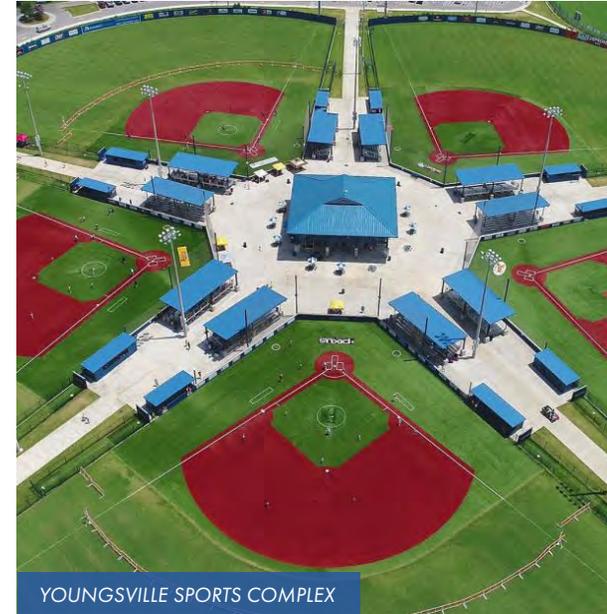
YOUNGSVILLE / LAFAYETTE MSA ECONOMIC HIGHLIGHTS

Youngsville is one of the fastest growing cities in Lafayette Parish. It is the second largest city in the parish. Youngsville is located ten miles south of the Lafayette metro area, the parish seat, and to the east it is bordered by the city of Broussard.

The Lafayette MSA with an estimated population of more than 251,000, serves as an economic center of South Louisiana. This region's legendary "joie de vivre", Cajun and Creole cultures are known around the world which has created unique environment for work and play. This parish is home to a world class work force whose business base includes energy services, manufacturing, health care, transportation and distribution, education, information technology, finance, tourism, and other service-related industries Easy access to Interstates 10 and 49 gives this MSA a strategic advantage in transportation and accessibility into and out of the parish. Lafayette is also easily reached by the Union Pacific, Burlington Northern, and Santa Fe Railways, The Lafayette Regional Airport, and the Intercoastal Waterway. The Ports of West St. Mary, Vermillion, Iberia, Greater Baton Rouge, and the Twin Parish Port are also within 50 miles of the parish. It is also home to the University of Louisiana of Lafayette with a student body of over 19,000 students. The MSA has diversified itself as an energy, medical, transportation, finance, technology, entertainment, education and retail hub. With this foundation, Lafayette Parish has positioned itself to foster an economy that will continue to support a growing population and diverse industry sectors.



AMBASSADOR TOWN CENTER IN LAFAYETTE



YOUNGSVILLE SPORTS COMPLEX

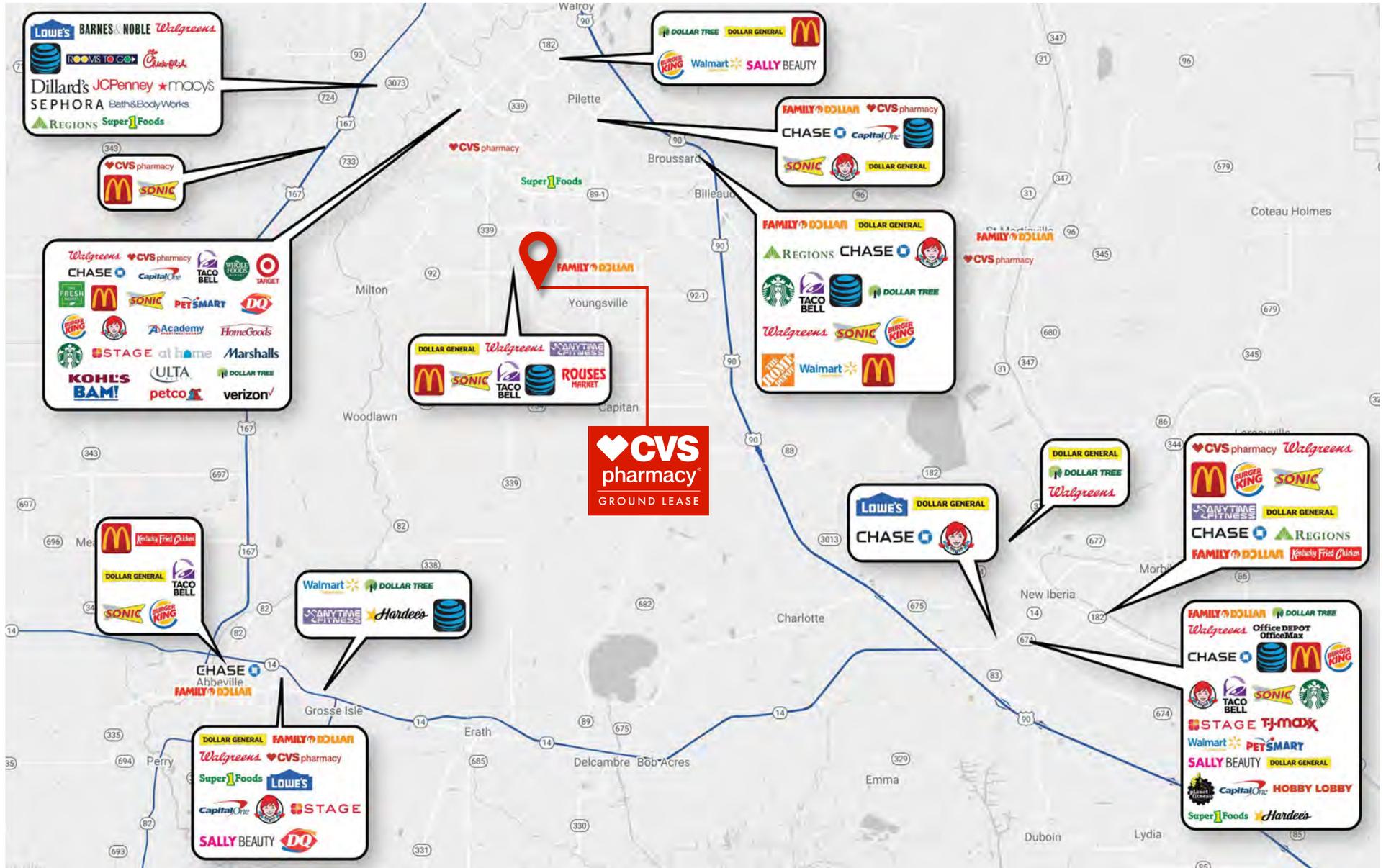


DOWNTOWN LAFAYETTE



UNIVERSITY OF LOUISIANA OF LAFAYETTE

/ AREA OVERVIEW /



/ AREA OVERVIEW /

ECONOMY AND EMPLOYMENT



4,648,794

POPULATION



Top 3 BEST INFRASTRUCTURE BY BUSINESS FACILITIES IN 2017



51,300,000

ANNUAL VISITORS IN 2018



TOP 10 STATE FOR BUSINESS FOR THE 10TH YEAR IN A ROW

TOP 10

IN THE US FOR PROJECTS PER CAPITA IN LOUISIANA IN 2019 BY GOVERNOR'S CUP

11%

LOUISIANA'S COST OF LIVING IS 11% LOWER THAN THE U.S. AVERAGE



RANKED NUMBER 1 FOR WORKFORCE TRAINING BY BUSINESS FACILITIES IN 2019



TOP 10 PRODUCER OF PETROLEUM IN THE U.S.

65 RUNNING RIGS



3RD LOWEST PROPERTY TAXES .52% EFFECTIVE REAL ESTATE TAX RATE



MSY/NEW ORLEANS INTERNATIONAL IS THE **#3 FASTEST GROWING AIRPORT IN AMERICA** BY FAA 2007-2017



PORT OF SOUTH LOUISIANA IS THE **#1 LARGEST IN THE WESTERN HEMISPHERE** BY FAIRPLAY



LAFAYETTE

#2 SMALL CITY POISED TO SKYROCKET IN 2018

#3 BEST PLACE TO LIVE IN LOUISIANA IN 2019 BY CHAMBER OF COMMERCE

#1 BEST PLACE FOR YOUNG PROFESSIONALS BY NICHE.COM

#6 LARGEST SHARE OF MILLENNIAL MORTGAGES IN 2018 BY REALTOR.COM



NEW ORLEANS

18.51 MILLION ANNUAL VISITORS IN 2018

#1 FOR GROWTH IN TECHNOLOGY AND HEALTHCARE JOBS IN U.S. IN 2018

#3 IN THE USA FOR YOUNG ENTREPRENEURS LENDING TREE

#1 PLACE TO GO IN THE WORLD IN 2018 NEW YORK TIMES

/ AREA OVERVIEW /

DEMOGRAPHICS

1 MILE

3 MILE

5 MILE

KEY FACTS



10,201

POPULATION

34.5

MEDIAN AGE



50,897

POPULATION

35.6

MEDIAN AGE



103,918

POPULATION

36.6

MEDIAN AGE



2.8

AVERAGE HOUSEHOLD SIZE

\$85,740

MEDIAN HOUSEHOLD INCOME



2.7

AVERAGE HOUSEHOLD SIZE

\$78,900

MEDIAN HOUSEHOLD INCOME



2.6

AVERAGE HOUSEHOLD SIZE

\$69,002

MEDIAN HOUSEHOLD INCOME

EDUCATION



28%

HIGH SCHOOL GRADUATE



28%

SOME COLLEGE



37%

BACHELOR'S/GRAD/ PROF DEGREE



26%

HIGH SCHOOL GRADUATE



27%

SOME COLLEGE



39%

BACHELOR'S/GRAD/ PROF DEGREE



26%

HIGH SCHOOL GRADUATE



27%

SOME COLLEGE



40%

BACHELOR'S/GRAD/ PROF DEGREE

BUSINESS



343

TOTAL BUSINESSES



2,987

TOTAL EMPLOYEES



1,584

TOTAL BUSINESSES



18,834

TOTAL EMPLOYEES



6,175

TOTAL BUSINESSES



74,308

TOTAL EMPLOYEES

/ COMPANY OVERVIEW /

ABOUT STIRLING INVESTMENT ADVISORS

Evolution in the commercial real estate industry is creating rapid change, increasing the need for professional real estate guidance for investors and property owners. This new landscape is impacting real estate values— presenting both problems and opportunities in the market.

Stirling Properties' Investment Advisors has the depth and breadth of experience to help solve problems and maximize the potential of your investment assets. With a core focus on the Gulf South market, our team brings a myriad of services to the table along with an in-depth understanding of real estate cycles and complexities. We will assess the risk and rewards of any investment and guide our clients through difficult decisions.

Stirling Properties' Investment Advisors represent a wide range of client types, including private owners, institutional investors, and private equity firms, totaling more than \$1.64 billion in commercial volume in the last five years.

SERVICES



Retail, Multifamily,
Office, Medical,
Industrial



Single Asset/
Portfolio
Dispositions



Net Lease
Investments



1031 Tax Deferred
Exchanges



Capital Markets
Debt Placement



Financial &
Investment
Analysis



Market
Research



Valuation
Services

OFFERING UNPARALLELED MARKET
KNOWLEDGE AND PRODUCT DIVERSITY,
SIA IS COMMITTED TO PROVIDING THE
BEST POSSIBLE SERVICE TO NAVIGATE
CONSTANTLY CHANGING LOCAL MARKETS.

/ COMPANY OVERVIEW /

SAMPLE GULF SOUTH TRANSACTIONS LIST

TENANT	LOCATION	PRICE	CAP RATE
	Gretna, LA	\$5,500,000	7.67%
	Lafayette, LA	\$13,000,000	8.78%
	Covington, LA	\$5,600,000	7.8%
	Greenwell Springs Rd Baton Rouge, LA	\$4,750,000	6.67%
	Coursey Boulevard Baton Rouge, LA	\$5,750,000	6.75%
	New Iberia, LA	\$5,133,000	6.1%
	Amite, LA	\$3,102,438	8%
	Hammond, LA	\$14,700,000	9.23%
	Gretna, LA	\$11,409,909	5.55%
	West Monroe, LA	\$4,800,000	5.63%
	Covington, LA	\$4,768,593	5.825%
	Ponchatoula, LA	\$6,587,552	5.775%
	Crowley, LA	\$4,491,310	5.8%
	Abita Springs, LA	\$5,808,000	6.25%
	Gonzales, LA	\$5,557,440	6.25%
	Geismar, LA	\$5,413,664	6.25%
	Lafayette, LA	\$5,920,000	6.25%
	Broussard, LA	\$4,650,000	6.50%
	Slidell, LA	\$1,599,103	5.575%

TENANT	LOCATION	PRICE	CAP RATE
	Hammond, LA	\$2,064,931	5.84%
	Meraux, LA	\$2,294,620	7.25%
	Slidell, LA	\$971,574	7.15%
	Slidell, LA	\$1,235,000	4.6%
	Slidell, LA	\$900,000	5.2%
	Baton Rouge, LA	\$1,875,000	5.5%
	Covington, LA	\$4,100,000	5.75%
	Slidell, LA	\$1,860,250	6.00%
	D'Iberville, MS	\$11,395,000	6.42%
	Lake Charles, LA	\$10,751,100	6.50%
	McComb, MS	\$2,333,169	6.50%
	Slidell, LA	\$995,000	6.89%
	Slidell, LA	\$5,409,900	6.95%
	Mandeville, LA	\$2,559,000	5.78%
	McComb, MS	\$1,135,000	6.81%
	Lake Charles, LA	\$6,000,000	9.33%

/ COMPANY OVERVIEW /

ABOUT THE TEAM



JUSTIN LANGLOIS, CCIM
Regional Vice President

Justin Langlois, CCIM serves as Regional Vice President with Stirling Properties in Baton Rouge, Louisiana. He specializes in investment sales, primarily in retail, office and healthcare. His skill set includes commercial real estate sales and leasing, landlord and tenant representation, sublease representation, REO and bank foreclosures, sale/leaseback, lease negotiation, real estate investment analysis and financial feasibility, as well as site selection.

Justin has been actively involved in the commercial real estate industry for over a decade. He earned the prestigious CCIM designation in 2010. He previously served as the managing director with SVN | Graham, Langlois & Legendre commercial real estate firm in Baton Rouge, which he founded with partners Ben Graham, and Steve Legendre.

Justin is a member of the board of directors for the Baton Rouge Growth Coalition and serves as secretary for the organization. He also supports various organizations including The Chapel on the Campus (LSU), Campus Crusade for Christ (CRU), Mary Bird Perkins – Investors Collective, and Volunteers of America.

Justin is married to Dodi Langlois. He is the proud father of three daughters, Harper, Eliza and Remy, and a son, Max. Justin was born and raised in Baton Rouge, graduated in 1999 from Louisiana State University Lab School and earned a B.A. in English from Millsaps College (2003) in Jackson, MS.



BEEZIE LANDRY
Vice President of Investment Advisors

Beezie Landry was recently promoted to Vice President of Investment Advisors, where he oversees Stirling Properties newly created Investment Advisors Division. Over the last few years, he has been responsible for the acquisition and disposition of nearly \$500 million dollars' worth of investment assets in Louisiana and Mississippi, focusing on single and multi-tenant retail and medical office space. He has represented a wide range of client types including private and institutional investors. He has completed transactions with REITs such as Weingarten Realty Investors, General Growth, VEREIT, Realty Income and AEI Funds.

Beezie has also worked closely with the Stirling Properties Development Committee to coordinate the financing, refinancing, development, redevelopment and acquisition of retail and office properties. In addition, he has extensive experience in landlord representation in leasing new developments and existing shopping centers.



GRIFFIN LENNOX
Investment Advisor / Sales Analyst

Griffin Lennox joined Stirling Properties in 2015 as a financial analyst on the Investment Sales & Acquisitions Team. Since then, Griffin has become a licensed member of Stirling's Investment Advisors group with experience in the acquisition and disposition of commercial real estate assets across multiple product types.

Griffin is also responsible for identifying and underwriting investment opportunities for clients of Stirling's Investment Advisor group. He is certified in ARGUS Enterprise, a real estate evaluation software used in the global real estate market. He also works closely with Stirling's development team, assisting with financing and refinancing efforts. He is a member of the Urban Land Institute (ULI), Louisiana Management Team, and the International Council of Shopping Centers (ICSC), where he serves on the Next Gen Planning Committee for New Orleans.

A native of North Carolina, Griffin graduated from Louisiana State University (LSU) E J Ourso College of Business with a bachelor's degree in Business Administration and Management with concentrations in real estate finance and communications.

/ DISCLAIMER & CONFIDENTIALITY /

DISCLAIMER

The information provided in this Offering Memorandum has been derived from sources deemed reliable. However, it is subject to errors, omissions, price change and/or withdrawal, and no warranty is made as to the accuracy. Further, no warranties or representation shall be made by Stirling Properties or its agents, representatives or affiliates regarding oral statements that have been made in the discussion of the property. This presentation prepared by Stirling Properties was sent to the recipient under the assumption that s/he is a buying principal. Any potential purchaser is advised that s/he should either have the abstract covering the real estate which is the subject of the contract examined by an attorney of his/her selection or be furnished a policy of title insurance.

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 Stirling Properties, LLC or any of the affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or cause of action relating to this solicitation process or the marketing or sale of the Property.

CONFIDENTIALITY

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 purchase or made available to any other person without the written consent of Seller or Stirling Properties, LLC.

By acknowledging your receipt of the Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential.
2. The information contained herein shall be held and treated with the strictest of confidence.
3. Whether directly or indirectly, you will not disclose this Offering Memorandum in a manner detrimental to the interest of the Seller.

Should you elect to not pursue negotiations in the acquisition of the Property or in the future you discontinue such negotiations, you then agree to purge all materials relating to this Property including this Offering Memorandum.



 **CVS**
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