

# CVS/pharmacy<sup>®</sup>

2425 NORTH 16TH STREET | ORANGE, TX



REPRESENTATIVE PHOTO





**BRANDON PRICE**

Capital Markets  
858 558 5673  
brandon.price@cushwake.com  
License No. 01822998

**BLAKE TAGMYER**

Director  
858 558 5670  
blake.tagmyer@cushwake.com  
License No. 01329963

**KARI FISKE** Center

Brokerage Coordinator  
858 334 4032  
kari.fiske@cushwake.com

**TARA HENDRICKS**

Senior Marketing Coordinator  
858 558 5611  
tara.hendricks@cushwake.com

Listed in conjunction with  
Texas Broker of Record:  
Chris Harden Director  
Cushman & Wakefield of Texas, Inc.  
License No. TX 0566104

www.bobcat.com 800-629-6883



# CVS/pharmacy<sup>®</sup>

2425 NORTH 16TH STREET | ORANGE, TX

01

INVESTMENT SUMMARY

02

TENANT OVERVIEW

03

MARKET OVERVIEW



# 01





# INVESTMENT OFFERING

---



REPRESENTATIVE PHOTO



THE SUBJECT PROPERTY IS AN 11,926 SQUARE FOOT CVS LOCATED IN ORANGE, TEXAS. CVS HAS SHOWN LONG TERM COMMITMENT TO THE SITE HAVING EXECUTED A NEW **20 YEAR FIRM LEASE TERM** WHICH RUNS UNTIL OCTOBER OF 2040. THE LEASE IS STRUCTURED WITH **FIVE PERCENT RENT INCREASES** BETWEEN EACH OF THE EIGHT 5-YEAR RENEWAL OPTIONS.

The lease is absolute NNN providing for zero landlord responsibilities. CVS, which is publicly traded on the New York Stock Exchange under the ticker symbol "CVS", has a current BBB credit rating by Standard & Poor's and reported annual revenues in excess of \$266 billion in 2020.

Located at the signalized intersection of State Highway 87 and West Church Street, the site has exposure along one of the area's main traffic arteries with daily traffic counts in excess of 22,000 vehicles. The site is positioned just south of State Highway 87's junction with Interstate 10, a major thoroughfare with over 68,500 vehicles per day connecting the city of Orange with the greater metros of Houston and Baton Rouge. State Highway 87, also known as 16th Street, acts as one of the main retail corridors for the City. National retailers surrounding the subject property include H-E-B, Kroger, Tractor Supply Co., Ace Hardware, O'Reilly, Sonic, Taco Bell, McDonald's and many more.

# INVESTMENT HIGHLIGHTS

---

## CORPORATE BACKED LONG TERM LEASE

CVS signed a new 20 year lease underscoring their long term commitment to the site

## ABSOLUTE NET LEASE STRUCTURE

Zero landlord responsibilities for operating or capital expenses

## BBB CREDIT RATING BY STANDARD & POOR'S

Tenant is publicly traded on the NYSE and reported annual revenues in excess of \$266 billion in 2020

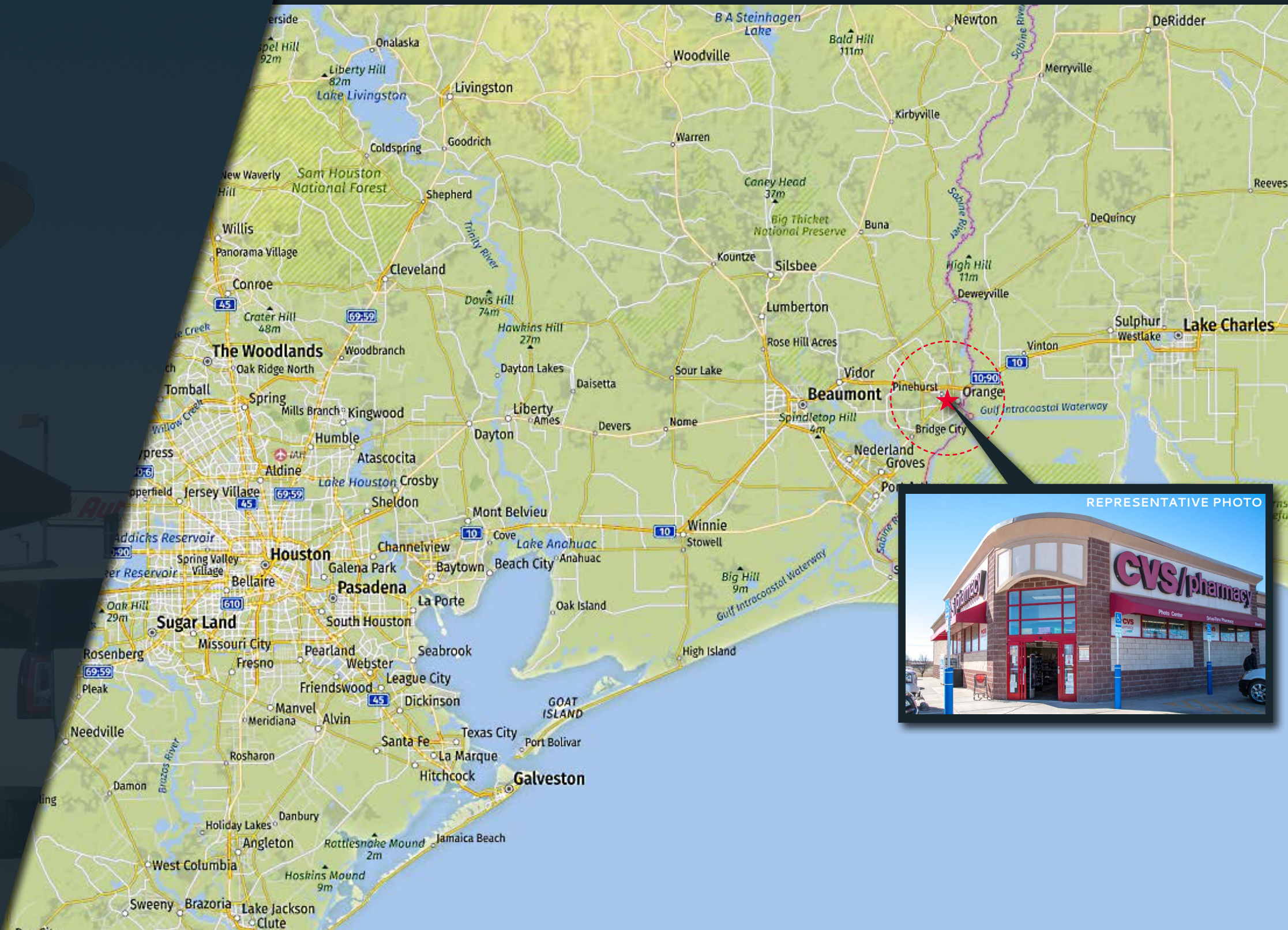
## LOCATED ALONG MAIN TRAFFIC ARTERY

Daily traffic counts exceed 22,000 vehicles

## IMMEDIATELY SOUTH OF STATE HIGHWAY 87'S JUNCTION WITH INTERSTATE 10

Major thoroughfare connecting Orange to Houston and Baton Rouge with traffic counts of over 68,000 vehicles per day







# FINANCIAL HIGHLIGHTS

---

**2425 NORTH 16TH STREET  
ORANGE, TX**



YEAR BUILT  
**2006**



OWNERSHIP TYPE  
**FEE SIMPLE**



BUILDING SIZE  
**11,926 SQUARE FEET**



LOT SIZE  
**1.6 +/- ACRES**



LIST PRICE  
**\$4,202,285**



CAP RATE  
**4.90%**



# CVS/pharmacy<sup>®</sup>

TENANT  
CVS

LEASE GUARANTOR  
CORPORATE GUARANTEE

LEASE TYPE  
ABSOLUTE NNN

RENT COMMENCEMENT  
OCTOBER 7, 2020

LEASE EXPIRATION  
OCTOBER 6, 2040

REMAINING LEASE TERM  
19.5 YEARS

RENEWAL OPTIONS  
EIGHT 5-YEAR

RENT INCREASES  
5% BETWEEN OPTIONS

## RENT SCHEDULE

PERIOD	ANNUAL BASE RENT	MONTHLY BASE RENT
Current – 10/6/2040	\$205,912	\$17,159
Option 1 (5 Years)	\$216,208	\$18,017
Option 2 (5 Years)	\$227,018	\$18,918
Option 3 (5 Years)	\$238,369	\$19,864
Option 4 (5 Years)	\$250,287	\$20,857
Option 5 (5 Years)	\$262,802	\$21,900
Option 6 (5 Years)	\$275,942	\$22,995
Option 7 (5 Years)	\$289,739	\$24,145
Option 8 (5 Years)	\$304,226	\$25,352



REPRESENTATIVE PHOTO



02

CVS/pharmacy®

MARKET CAP

REVENUE

**\$94.15** BILLION

**\$266** BILLION

**CVS**  
pharmacy

DRIVE  
THRU  
PHARMACY

CVS pharmacy

Photo Center

Beauty

CVS Pharmacy

Try the  
custom  
pickups



A photograph of a CVS Pharmacy building at night, illuminated by warm interior and exterior lights. The building has a modern design with large windows and a prominent entrance. The word 'pharmacy' is visible in red lettering on the building's facade.

# TENANT OVERVIEW

---

## OWNERSHIP

Public

## TICKER SYMBOL

CVS (NYSE)

## CREDIT RATING

BBB (Standard & Poors)

## # OF EMPLOYEES

246,000

CVS HEALTH CORPORATION, TOGETHER WITH ITS SUBSIDIARIES, PROVIDES INTEGRATED PHARMACY HEALTH CARE SERVICES.

CVS Health is the nation's premier health innovation company helping people on their path to better health. Whether in one of its pharmacies or through its health services and plans, CVS Health is pioneering a bold new approach to total health by making quality care more affordable, accessible, simple and seamless. CVS Health is community-based and locally focused, engaging consumers with the care they need when and where they need it. The Company has more than 9,800 retail locations, approximately 1,100 walk-in medical clinics, a leading pharmacy benefits manager with approximately 93 million plan members, a dedicated senior pharmacy care business serving more than one million patients per year, expanding specialty pharmacy services, and a leading stand-alone Medicare Part D prescription drug plan. CVS Health also serves an estimated 39 million people through traditional, voluntary and consumer-directed health insurance products and related services, including a rapidly expanding Medicare Advantage offering. This innovative health care model increases access to quality care, delivers better health outcomes and lowers overall health care costs.

**aetna**<sup>SM</sup>

Exemplifying the organizations commitment to leading the transformation of health care, CVS Health recently completed their acquisition of Aetna, establishing the company as the nation's premier health innovation company. The acquisition will transform the consumer health experience and build healthier community through a new innovative health care model that is local, cost efficient and consumer centric. The combined company will connect consumers with the powerful health resources of CVS Health in communities across the country and Aetna's network of providers to help remove barriers to high quality care and build lasting relationships with consumers, making it easier for consumers to access the information, resources and services they need to achieve their best health.

CVS Health Corporation was founded in 1892 and is headquartered in Woonsocket, Rhode Island. To find more information regarding how CVS Health is shaping the future of health visit: [www.cvshealth.com](http://www.cvshealth.com).



# 03







# MARKET OVERVIEW

---

The City of Orange is located in Orange County Texas on Interstate Highway I-10, about 30 miles east of Beaumont, and near the Louisiana border. The city is a point of what is known as the "Golden Triangle" with Port Arthur and Beaumont.

The Port of Orange became a deep-water port open to the Gulf of Mexico and the world's oceans when a 25-foot channel through Sabine Lake, past Sabine Pass, and out to the Gulf of Mexico was completed. The port continues today as an integral part of the East Texas economy and business environment.

Settled in 1836 as Green's Bluff, it was known as Madison in 1852 but was renamed (1856) for an extensive orange grove along the river. An early rice, lumber, and shipbuilding centre, it boomed during World War I when shipyard construction became a major industry. After World War II the U.S. Navy maintained a naval station and "mothball fleet" there. Orange is located in a major natural-gas and oil-field area. Its key industries include steel fabrication, shipbuilding, and the manufacture of petrochemicals, synthetic rubber, paper products, and cement. A branch of Lamar University is in the city and the Stark Museum of Art which houses a significant collection of western Americana.

Lutcher Memorial Building, listed on the National Register of Historic Places, is an outstanding example of classic Greek Revival architecture. Completed in 1912, it was the first air-conditioned public building west of Mississippi River and its dome is the only opalescent glass dome in the United States. Made of granite quarried in central Texas, the building also has structures of Italian marble and a richly ornamented interior. Its leaded art-glass windows, made by hand techniques that are no longer available, are unique and rare. First Presbyterian Church is a living church with an active congregation and weekly services.

The City of Orange hosts several cultural attractions. The Stark Museum of Art houses one of the finest collections of 19th- and 20th-century Western American art and artifacts in the country. The collection focuses on the land, people, and wildlife of the American West. The museum also holds a significant collection of American Indian art, as well as collections of glass and porcelain, and rare books and manuscripts.

The W. H. Stark House is a careful restoration of an 1894 Victorian home, typical of a wealthy Southeast Texas family. The 15-room, three-storied structure with its many gables, galleries, and distinctive windowed turret, shows the influence of several architectural styles.



## 2020 DEMOGRAPHICS

1 Mile 3 Miles 5 Miles 7 Miles



### POPULATION

Total Population	6,006	22,991	29,787	35,664
Median Age	40.3	39.7	39.8	39.7



### HOUSING

Total Housing Units	3,286	11,639	14,629	17,243
Occupied Housing Units	75.8%	79.7%	81.3%	81.8%
Vacant Housing Units	24.2%	20.3%	18.7%	18.2%



### INCOME

Avg Household Income	\$68,223	\$74,602	\$76,661	\$77,225
----------------------	----------	----------	----------	----------

## 2025 PROJECTED DEMOGRAPHICS

1 Mile 3 Miles 5 Miles 7 Miles



### POPULATION

Total Population	6,010	23,717	30,695	36,756
Median Age	40.8	40.1	40.2	40.2



### HOUSING

Total Housing Units	3,389	12,215	15,326	18,071
Occupied Housing Units	74.6%	78.9%	80.6%	81.1%
Vacant Housing Units	25.4%	21.1%	19.4%	18.9%



### INCOME

Avg Household Income	\$77,464	\$84,586	\$86,707	\$87,238
----------------------	----------	----------	----------	----------



**\$76,661**

AVERAGE INCOME

WITHIN A 5-MILE RADIUS  
OF THE PROPERTY

**29,787**

POPULATION









# STATEMENT OF CONFIDENTIALITY + CONDITIONS

---

This Offering Memorandum is confidential and is furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller's exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental, or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors.

The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations thereunder have been fully satisfied or waived.

The Seller is responsible for any commission due its agent in connection with a sale of the Property. The Seller shall not be responsible for any commission claimed by any other agent or broker in connection with a sale of the Property. No other party, including the Seller's exclusive agent, is authorized to make any representation or agreement on behalf of the Seller. This Memorandum remains the property of the Seller and its exclusive agent and may be used only by parties approved by the Seller and its exclusive agent. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as provided herein and as permitted by the express terms of the Confidentiality Agreement.







**BRANDON PRICE**

Capital Markets  
858 558 5673  
brandon.price@cushwake.com  
License No. 01822998

**KARI FISKE**

Brokerage Coordinator  
858 334 4032  
kari.fiske@cushwake.com

**BLAKE TAGMYER**

Director  
858 558 5670  
blake.tagmyer@cushwake.com  
License No. 01329963

**TARA HENDRICKS**

Senior Marketing Coordinator  
858 558 5611  
tara.hendricks@cushwake.com