

# CVS PHARMACY (FREESTANDING RELOCATION STORE)

NWC of Virginia Road (NC 32) & N Broad Street (US 17)  
Edenton, NC 29732







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## OFFERING HIGHLIGHTS

*NWC of Virginia Road & N Broad Street  
Edenton, NC 29732*



**\$5,911,501**

Price



**±9,656** | **1.52**  
SF | Acres



**4.75%**

Cap Rate



**25 YEARS**

Base Lease Term



**MODIFIED NNN**

Lease



**2021**

Year Built



**5% RENT BUMPS**

In Each Option

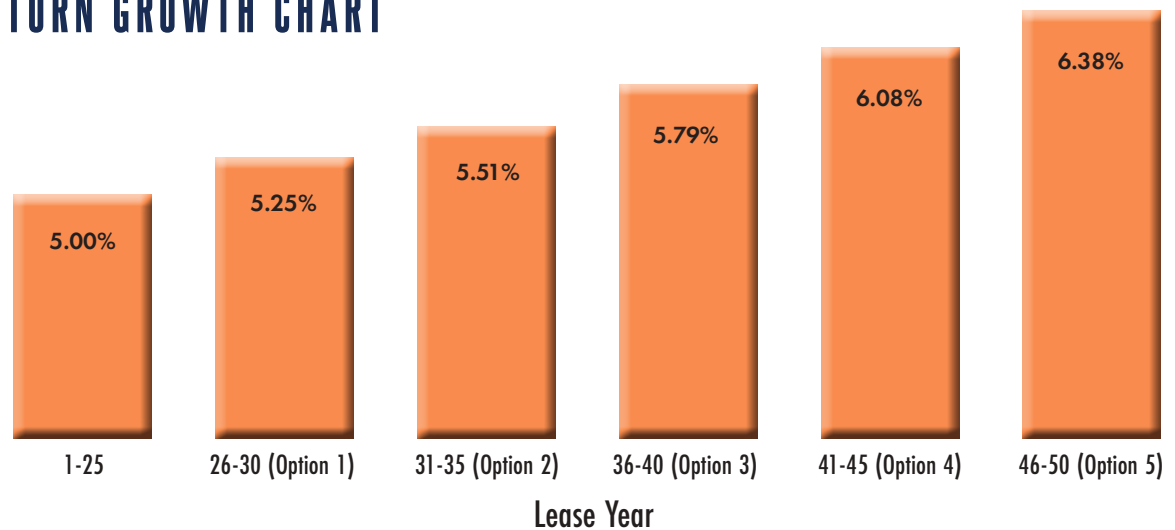
## LEASE SUMMARY

Property Subtype:	Net Leased Drug Store
Tenant:	CVS pharmacy
Rent Increases:	5% in Each Option Period
Guarantor:	CVS Health Corporation (Corporate)
Lease Type:	Modified NNN
Rent Commencement:	August 15, 2021
Lease Expiration:	January 31, 2046
Initial Lease Term:	25 Years
Renewal Options:	Five (5), 5-Year
Price/SF	\$612.21

## RENT ROLL

YEAR	ANNUAL RENT	MONTHLY RENT
<b>1-25</b>	<b>\$280,796.29</b>	<b>\$23,399.69</b>
26-30 (Option 1)	\$294,836.10	\$24,569.68
31-35 (Option 2)	\$309,577.91	\$25,798.16
36-40 (Option 3)	\$325,056.81	\$27,088.07
41-45 (Option 4)	\$341,309.65	\$28,442.47
46-50 (Option 5)	\$358,375.13	\$29,864.59

## RETURN GROWTH CHART



# INVESTMENT OVERVIEW

## FUNDAMENTAL LOCATION & INVESTMENT

- › Brand new, 2021 construction CVS pharmacy w/ drive-thru
- › Relocation of an existing inline store with summer (July/August) 2021 projected store opening
- › Hard corner at the signalized intersection of Virginia Road and N. Broad Street
- › Niche North Carolina coastal community located within Edenton Historic District
- › Two (2) full access drives located along Badham Road and Virginia Road
- › Essential-use retail investment with industry-leading tenant within healthcare segment
- › Upgraded 9,656 SF brick building with upgraded architectural design

## OPTIMAL LEASE STRUCTURE

- › Lease guarantee from CVS Health Corporation
- › 25-year modified NNN base lease term
- › Five (5), five-year option periods each with 5% rent escalations
- › Fee simple lease, which includes building and land, allows for depreciation
- › Landlord roof obligation offset by a 20-year Carlisle Roofing (Manufacturer) Total System "NDL" Warranty
- › Tenant responsible for parking lot and all common area maintenance

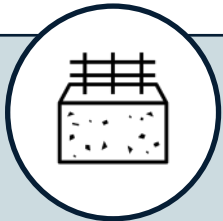
## INDUSTRY LEADER WITH STELLAR CORPORATE CREDIT

- › CVS Health Corporation (NYSE: CVS) maintains an investment-grade bond rating of "BBB"
- › 9,900 retail locations and 1,100 Minute Clinics in 49 states
- › 2020 total revenue of \$268.7 B, representing a 4.6% increase over the prior year
- › Estimated 2020 net worth of \$69.7 B



# CONSTRUCTION SUMMARY

PROPERTY ADDRESS	NWC of Virginia Road & N Broad Street Edenton, NC 29732
ZONING	Highway Commercial (CH)
PARCEL NO.	7805-15-72-4919, 7805-16-72-7809, 7805-16-72-6820
PARKING SPACES	46 Total Available (Approximately twice the 1/400 requirement)
PARKING SURFACE	Asphalt Parking Field with Concrete Drive-Thru Lane
SIGNAGE	Two (2) 10-Foot Tall Illuminated Monument Signs along Virginia Road & N Broad Street



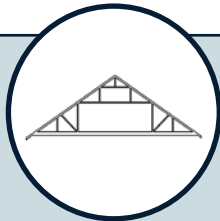
**FOUNDATION**  
CONCRETE SLAB



**FRAMING**  
STEEL FRAME



**EXTERIOR**  
HARDI-PLANK, STUCCO  
& BRICK VENEER



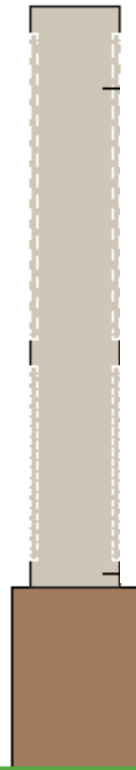
**ROOF**  
TPO SYSTEM w/  
20-YEAR CARLISLE ROOFING  
(MANUFACTURER) TOTAL SYSTEM  
"NDL" WARRANTY



# ELEVATIONS



**TWO (2) 10-FOOT ILLUMINATED  
MONUMENT SIGNS**  
One on Virginia Road &  
One on N Broad Street





# CONSTRUCTION PHOTOS

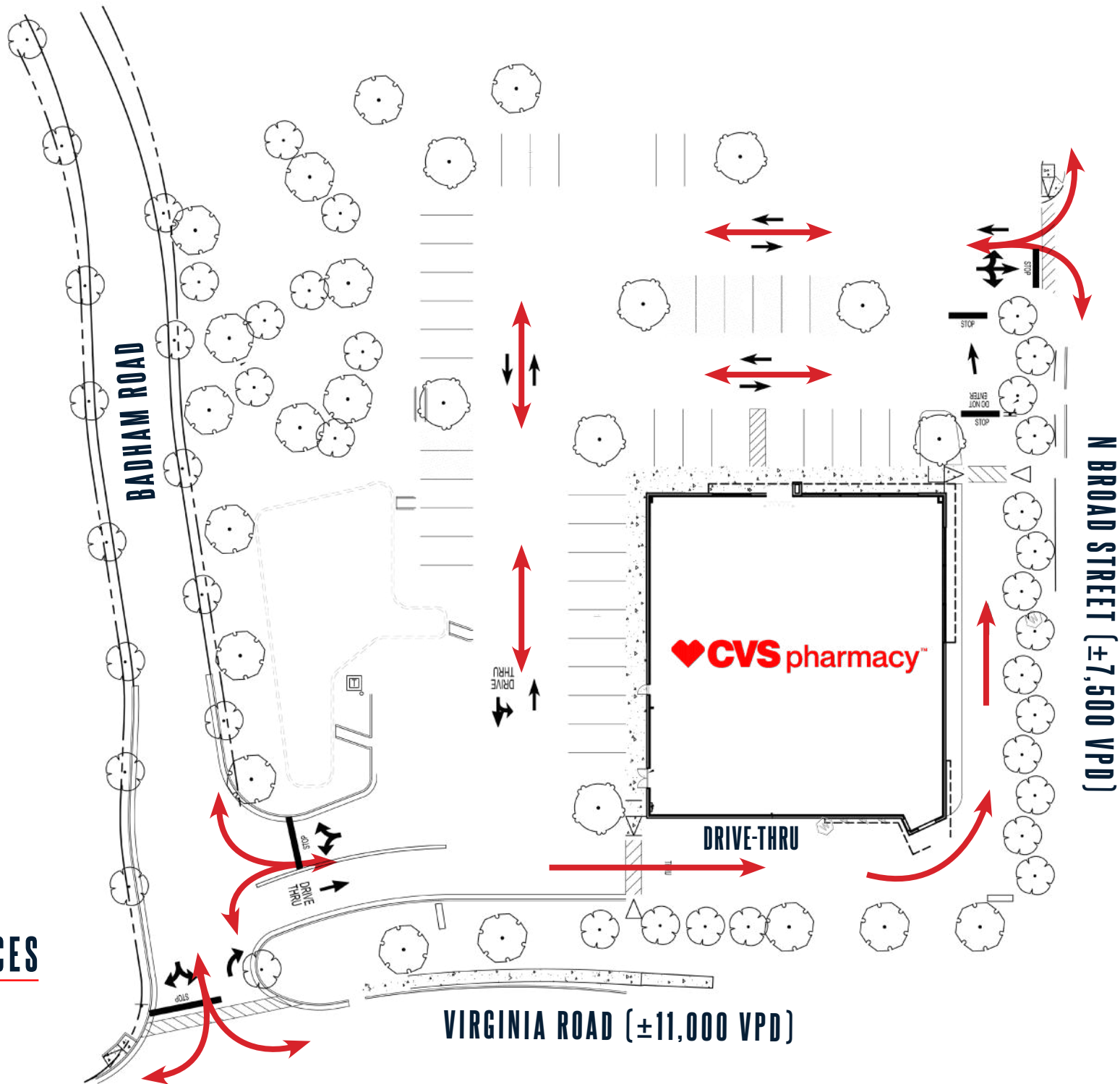
Construction photos taken March 31, 2021



SITE PLAN



**PARKING SPACES**  
46 Total





AERIAL



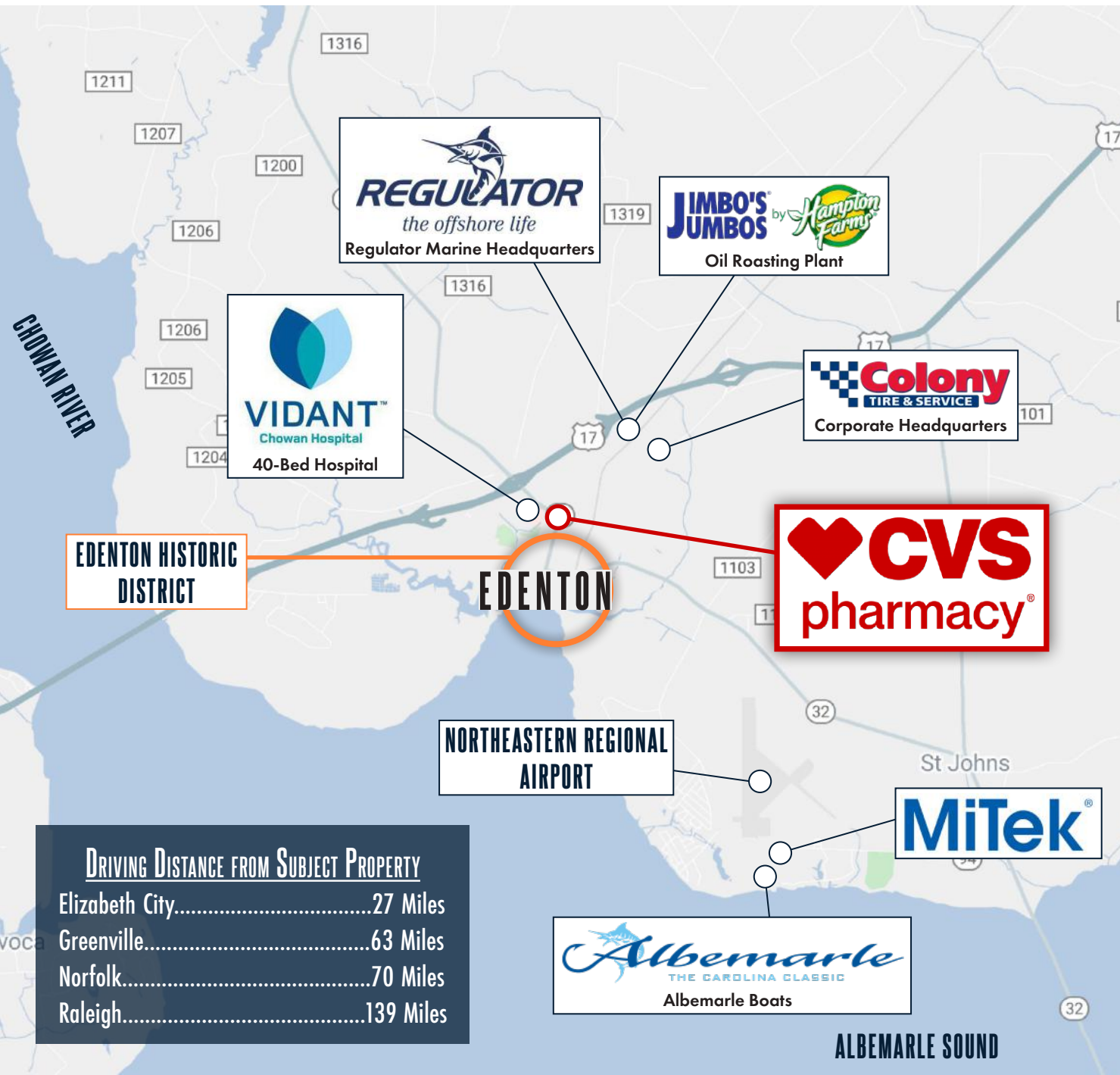


AERIAL



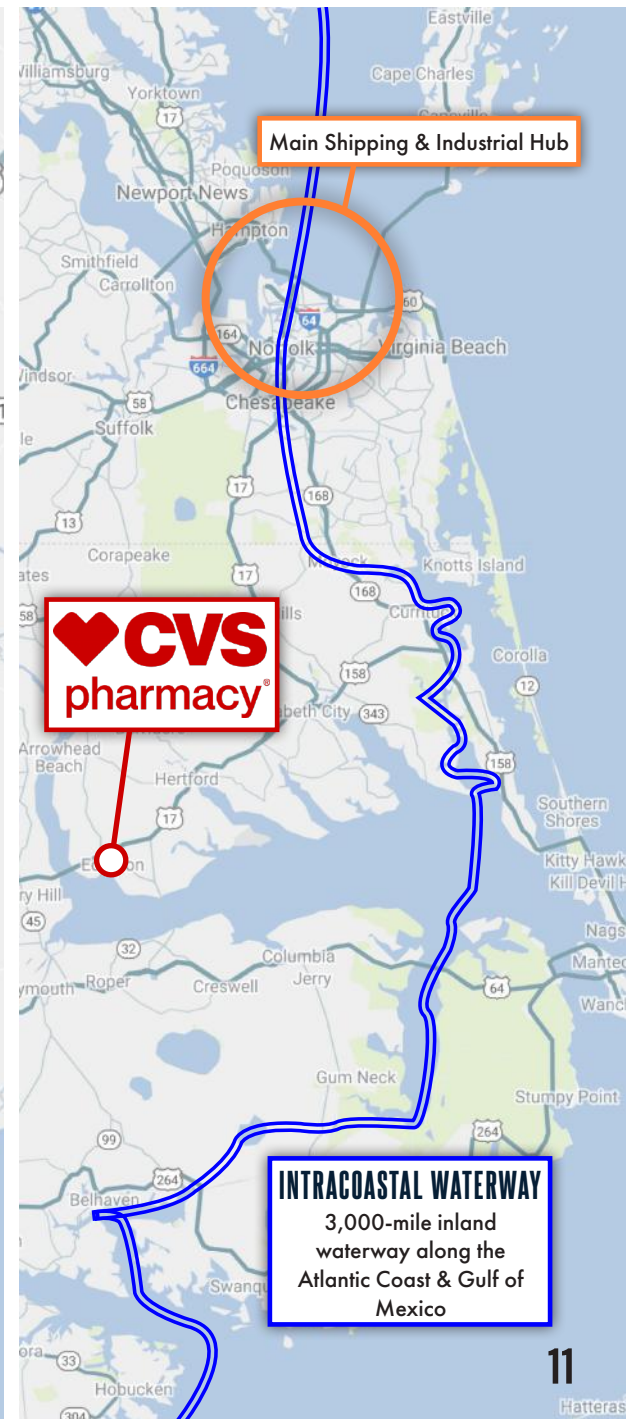


# REGIONAL MAP



## DRIVING DISTANCE FROM SUBJECT PROPERTY

Elizabeth City.....	27 Miles
Greenville.....	63 Miles
Norfolk.....	70 Miles
Raleigh.....	139 Miles



# DEMOGRAPHICS

## POPULATION

2020 Population

1-MILE

3,789

3-MILE

5,926

5-MILE

8,859

Daytime Population

4,338

5,893

7,629

## HOUSEHOLDS

2020 Households

1,622

2,488

3,707

## HOUSEHOLDS BY INCOME

\$200,000 or More

1.77%

1.73%

1.65%

\$150,000 - \$199,999

1.01%

1.65%

2.33%

\$100,000 - \$149,999

8.67%

9.85%

10.94%

\$75,000 - \$99,999

7.53%

9.04%

10.71%

\$50,000 - \$74,999

14.88%

16.46%

18.30%

\$35,000 - \$49,999

15.19%

18.00%

17.95%

\$25,000 - \$34,999

8.52%

8.06%

8.20%

\$15,000 - \$24,999

17.40%

14.43%

12.41%

\$10,000 - \$14,999

8.03%

6.73%

5.78%

Under \$9,999

17.00%

14.04%

11.73%

Average HH Income

\$48,115

\$52,931

\$57,380

## POPULATION BY RACE

% White Population

1-MILE

38.56%

3-MILE

44.81%

5-MILE

52.54%

% Black Population

55.82%

49.55%

42.43%

% Asian

0.83%

1.30%

1.04%

% American Indian,  
Eskimo, Aleut Population

0.16%

0.21%

0.31%

% Hawaiian or Pacific  
Islander Population

0.08%

0.05%

0.03%

% Multi-Race Population

1.42%

1.77%

1.67%

% Other Population

3.13%

2.31%

1.98%

## 2019 POPULATION 25+ BY EDUCATION LEVEL

Elementary (0-8)

2,702

4,228

6,412

5.71%

5.14%

5.11%

Some High School (9-11)

13.20%

11.68%

10.62%

High School Graduate (12)

27.25%

27.94%

27.45%

Some College (13-15)

21.13%

22.02%

22.75%

Associates Degree Only

7.62%

8.09%

10.06%

Bachelors Degree Only

13.76%

14.75%

14.50%

Graduate Degree

9.29%

8.52%

8.04%



# EDENTON, NC

The beautiful and historic Southern town of Edenton has garnered regional and national attention. Accolades include Forbes Magazine naming it one of America's Prettiest Towns. Edenton also made Smithsonian magazine's list of America's 20 Best Towns. Located on the Inner Banks of North Carolina, **Edenton is the capital of Chowan County**. Edenton, which served as a major Colonial port, was the first Colonial capital of North Carolina from 1722 to 1743. Largely untouched by the Civil War, its architecture dates to pre-Colonial times, with its 1767 Colonial Courthouse considered by many to be the finest example of Georgian architecture in the South.

Chowan County has a diverse array of manufacturers including home construction products, boat builders, food products, fencing, and others. Companies like MiTek, a member of the Berkshire Hathaway family, have made their home in Edenton. They utilize the barge system on the Albemarle Sound to transport steel into the plant and trucking to move product around the Country. Centrally located in the Middle Atlantic States, Edenton is strategically positioned to move products north, south and west as market demands shift with changing times. The manufacturers in the County have found the area to be business-friendly with a great labor pool made up of dedicated workers. The State of North Carolina has also provided an extensive program of incentives that reduce the cost of doing business.

**Chowan County is home to some of the leading boat builders in the nation.** Names like Regulator Marine and Albemarle Boats are known throughout the world as producing some of the finest boats on the water. Edenton's newest boat builder is Daedalus Yachts. The firm is developing cutting edge self-sufficiency in yachting. Together these companies have enhanced the brand of Edenton and Chowan County as one of the finest boat building areas in the country. Both the skilled labor force and the support services are in place to complement the needs of those manufacturers in this industry.

Vidant Chowan Hospital, the regional hospital, is part of the Vidant system and delivers vital health care services that are unsurpassed in the region. A branch of the College of the Albemarle is located in Edenton and not only serves the needs of traditional and adult learners but also delivers world class work force training to businesses in need.

## TOP CHOWAN COUNTY EMPLOYERS

Edenton-Chowan Schools

Vidant Chowan Hospital

Jimbo's Jumbos/Hampton Farms

Chowan County

Colony Tire Corp.

Regulator Marine, Inc.

United Parcel Service, Inc.

Olam Edible Nuts

Chowan River Nursing and Rehabilitation Center

Food Lion



Regulator Marine Boat Building



# LEASE ABSTRACT

**TENANT:**

CVS pharmacy

**LEASE GUARANTOR:**

CVS Health Corporation

**LEASE COMMENCEMENT:**

August 1, 2021

**LEASE EXPIRATION:**

January 31, 2046

**BASE TERM:**

25 Years

**BASE RENT:**

\$23,399.69 per month/\$280,796.39 annually (Years 1-25)

**OPTIONS:**

Five (5), 5-year options

**OPTION RENT:**

Option 1: \$24,023.65 per month/\$288,283.80 annually (Years 26-30)

Option 2: \$25,224.83 per month/\$302,697.99 annually (Years 31-35)

Option 3: \$26,486.07 per month/\$317,832.89 annually (Years 36-40)

Option 4: \$27,810.38 per month/\$333,724.53 annually (Years 41-45)

Option 5: \$29,200.90 per month/\$350,410.76 annually (Years 46-50)

**LANDLORD MAINTENANCE OBLIGATIONS:**

"Landlord shall maintain (including painting and cleaning), repair, and replace" "each of the exterior portions and structural portions of the Building, including, without limitation: the roof and roof supports, flashings, gutters, downspouts, footings, foundations, structural supports, columns, exterior walls, bearing walls, retaining walls, floor slab, and loading docks" "Landlord also shall maintain, repair, and replace, as necessary, all plumbing, pipes, tubes and all other conduits and utility lines leading to and from the Building."

**TENANT MAINTENANCE OBLIGATIONS:**

"Tenant shall maintain, repair, and replace, as necessary: the Building interior, including the fixtures and equipment therein; HVAC equipment; plumbing and electrical systems within the Building; broken glass; and the nonstructural portions of any storefront."

**PARKING LOT MAINTENANCE:**

Tenant shall also be responsible for "repairing, re-striping, and resealing, of the parking lot areas; repair of all curbing, sidewalks and directional markers; removal of snow and ice; landscaping; and provision of adequate lighting during all hours of darkness that Tenant shall be open for business."

**TAXES:**

"Tenant shall be responsible for paying all real estate taxes and all assessments which may be levied against the premises."

**INSURANCE:**

"Tenant shall maintain causes of Loss-Special Form (formally known as All-Risk) insurance for the Building for 100% of its reasonable replacement value. Said insurance shall not exclude flood insurance if the Building is located in a Flood Zone A or V"

**UTILITIES:**

"Tenant agrees to pay for all utilities consumed by it in the premises"

**ASSIGNMENT & SUBLETTING:**

"Tenant shall have the right to assign this Lease, or to sublet the whole or any part of the Premises, for use for any lawful purpose, provided: Landlord's consent is first obtained which consent Landlord agrees not to unreasonably withhold" "Tenant and Guarantor shall remain liable for the obligations the tenant hereunder"

**RIGHT OF FIRST REFUSAL:**

None




## TENANT SUMMARY

CVS Pharmacy is an American retail corporation. Owned by CVS Health, it is 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 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 Longs 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 or outside CVS stores.



<b>Tenant Trade Name</b>	CVS pharmacy
<b>Lease Guarantor</b>	CVS Health Corporataion
<b>S&amp;P Credit Rating</b>	BBB/Stable
<b>Moody's Credit Rating</b>	Baa2
<b>Headquarters</b>	Woonsocket, RI


**9,968+**  
Locations


**\$69.7 BILLION**  
Est. 2020 Net Worth


**\$268.7 BILLION**  
Total Revenue (2020)


**300,000+**  
Employees


**#32**  
World's Most Admired Companies  
(Fortune, 2021)

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# CVS PHARMACY (FREESTANDING RELOCATION STORE)

NWC of Virginia Road (NC 32) & N Broad Street (US 17)  
Edenton, NC 29732



FRONT ELEVATION (NORTH)



NORTH BROAD STREET - US HIGHWAY 17  
(EAST)

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