

KANSAS CITY, MO



SHREVEPORT, LA



OFFERING MEMORANDUM



LOUISIANA & MISSOURI PORTFOLIO





## LOUISIANA & MISSOURI PORTFOLIO

**03**

INVESTMENT HIGHLIGHTS

**04**

FINANCIAL OVERVIEW

**13**

TENANT PROFILE

**14**

AREA OVERVIEW

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

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# INVESTMENT HIGHLIGHTS

## LEASE

- **Absolute NNN Lease** - The absolute triple-net (NNN) leases requires zero landlord responsibilities, with all maintenance, taxes, and insurance assigned to the tenant, making this an ideal investment for investors who seek a truly passive investment.
- **Rent Holiday** - The leases provide CVS with a 3-year rent holiday at the end of the primary lease term. This provides the Purchaser with a unique credit offering as the Seller will issue a Net Present Value (NPV) rent credit for the rent holiday, immediately increasing the Purchaser's return.
- **Offered Free and Clear of Debt** - Properties will be delivered free & clear of debt, allowing investors to take advantage of today's attractive lending rates.

## LOCATION/MARKET

- **Densely Populated Markets** - One of the subject properties is well located within the Kansas City MSA, which boasts a total population of 2.3 million and an extremely favorable business climate with the 5th best corporate income tax rate (4%) in the U.S. The other subject property is located in the Shreveport MSA. The property's 5-mile radius provides a strong density of 110,000+ residents and is home to a new General Dynamics/ Cyber Innovations Partnership that will establish a new industry in the city, increasing high income, in-demand jobs.
- **Great Retail Placement** - The subject properties are both located on a signalized corner along the cities' main traffic arteries. Minutes from major work centers, higher education institutions, and interstate highways, both properties are strategically located on the "evening" side of these thoroughways, placing paramount emphasis on consumer convenience.
- **Strong Retail Corridors** - Both properties hold nearby national tenants, such as 7-Eleven, AutoZone, Aldi, KFC, O'Reilly Auto Parts, McDonald's, Family Dollar, and more.

## TENANT

- **Strong Investment Grade Credit** - CVS Health boasts strong investment grade credit of BBB from Standard & Poor's, which is the same as Kroger, Circle K, Dollar General, AutoZone, and Fedex to name a few. CVS Health is the largest drug store chain in the US with 9,900+ retail store locations and approximately 310,000 employees. CVS Health continues to gain market share of retail prescriptions filled, growing from 23% in 2015 to 35% in 2020.
- **Pandemic Proof** - As one of the few retailers selected to stay open as an essential business, CVS leads the charge in vaccination efforts throughout the pandemic, and now has over 4,800 COVID-19 testing sites across the country.
- **Industry Innovator** - CVS provides healthcare services via its 1,100+ MinuteClinic and HealthHUB locations, where you can seek attention from medical providers for chronic illnesses, mental health, and common illnesses, to Include immunizations.



## EXECUTIVE OVERVIEW

TENANT	CVS
PROPERTY ADDRESS	2435 East Independence Ave
LOCATION	Kansas City, MO 73501
GLA	± 14,000 SF



**\$3,139,000**  
LIST PRICE



**\$213,825**  
NOI



**6.81%**  
CAP RATE



**±14,000 SF**  
GLA

## FINANCIAL SUMMARY

LEASE TYPE	NNN
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Corporate
ROOF AND STRUCTURE RESPONSIBLE	Tenant Responsible
ORIGINAL LEASE TERM	26 Years
LEASE COMMENCEMENT DATE	12/1/06
LEASE EXPIRATION DATE	1/31/32
LEASE TERM REMAINING (YEARS)	±11 years
INCREASES	Flat in Primary Term, 1st 2 Options: Fixed at \$192,442, 2nd 8 Options: 101% FMV
OPTIONS	Ten, 5 Year Options

**SELLER CREDIT PRICE ADJUSTMENT**

Sale Cap Rate	6.10%
Sale Price	\$3,506,000
Seller Credit (NPV)	\$367,000
Net Price	\$3,139,000
Net Cap Rate	6.81%

**ANNUALIZED OPERATING DATA**

TERM	MONTHLY RENT	ANNUAL RENT	RENT PSF
12/1/2006 – 12/31/2028	\$17,819	\$213,825	\$15.27
1/1/2029 – 1/31/2032	\$0	\$0	\$0
1st Option	\$16,037	\$192,442	\$13.75
2nd Option	\$16,037	\$192,442	\$13.75
Options 3-10		101% of FMV	

\*Seller will credit the buyer the NPV of the rent holiday at the end of the lease

**DEBT QUOTE**

**LTV:**65%

**RATE:** 3.850%

**AMORTIZATION:** 30 Years

Loan quote provided by Matthews™ Capital based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing. Please contact:

Jesse Lillard  
(956) 564-2922  
jesse.lillard@barringtoncapcorp.com



## SURROUNDING TENANTS









## EXECUTIVE OVERVIEW

TENANT	CVS
PROPERTY ADDRESS	1540 N Market Street
LOCATION	Shreveport, LA 71107
GLA	± 15,634 SF



**\$2,706,000**  
LIST PRICE



**\$185,960**  
NOI



**6.87%**  
CAP RATE



**±15,634 SF**  
GLA

## FINANCIAL SUMMARY

LEASE TYPE	NNN
TYPE OF OWNERSHIP	Fee Simple
LEASE GUARANTOR	Corporate
ROOF AND STRUCTURE RESPONSIBLE	Tenant Responsible
ORIGINAL LEASE TERM	26 Years
LEASE COMMENCEMENT DATE	12/1/06
LEASE EXPIRATION DATE	1/31/32
LEASE TERM REMAINING (YEARS)	±11 years
INCREASES	Flat in Primary Term, 1st 2 Options: Fixed at \$167,364, 2nd 8 Options: 101% FMV
OPTIONS	Ten, 5 Year Options



## SELLER CREDIT PRICE ADJUSTMENT

Sale Cap Rate	6.15%
Sale Price	\$3,023,000
Seller Credit (NPV)	\$317,901
Net Price	\$2,706,000
Net Cap Rate	6.87%

## ANNUALIZED OPERATING DATA

TERM	MONTHLY RENT	ANNUAL RENT	RENT PSF
12/1/2006 – 12/31/2028	\$15,497	\$185,960	\$11.89
1/1/2029 – 1/31/2032	\$0	\$0	\$0
1st Option	\$13,947	\$167,364	\$10.71
2nd Option	\$13,947	\$167,364	\$10.71
Options 3-10		101% of FMV	

\*Seller will credit the buyer the NPV of the rent holiday at the end of the lease

## DEBT QUOTE

**LTV:**65%

**RATE:** 3.850%

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## SHREVEPORT ATTRACTIONS









## TENANT PROFILE

### COMPANY NAME

CVS Health Corporation

### OWNERSHIP

Public

### WEBSITE

[www.cvs.com](http://www.cvs.com)

### INDUSTRY

Drug Store

### HEADQUARTERS

Woonsocket, Rhode Island



### CVS PHARMACY

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-SuperRx, 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. [Click here to read about how CVS Pharmacy is providing exceptional service to its customers and employees throughout COVID-19.](#)



**9,967+**

Locations



**\$106.4B**

Market Value



**BBB**

Credit Rating



**\$268B**

Annual Revenue





## KANSAS CITY, MO

Kansas City, Missouri, lies on the western edge of Missouri. Among the **100 largest cities in the United States**, it is the most centrally located in the lower 48 states. This central location makes it very competitive for employment involving transportation, communication, and distribution. Kansas City covers 319 square miles and is home to approximately 464,000 residents, making it the **largest city in Missouri**, both in area and population.

The attractive downtown boasts museums and architectural attractions, including modern buildings and restorations of older sites, such as the 1914 Union Station. More recently, a major urban redevelopment and renewal effort has taken hold, anchored by a new Federal Reserve and IRS complex expected to employ 7,000 and a new headquarters for financial services giant H&R Block, plus a new entertainment district. The **downtown population quadrupled in the last decade** and is expected to **grow by 50 percent in the next five years**. New downtown housing units, expansive entertainment options, restaurants, shopping and redevelopments are spurring residential and business attractions. Since 2010, there have been over **\$4 billion in investments** in the revitalization of downtown Kansas City.

## ADVANTAGEOUS LOCATION

Kansas City has long been a hub for domestic and international transportation, specifically for logistics and warehouse distribution companies, because of its abundant real estate availability and land, low operating costs, and efficient utility infrastructure as well as its central location at the intersection of 3 major interstates: I-70, I-35, and I-29. Its growing economy, geographic location, business-friendly environment, low tax rate, and evolving infrastructure make Kansas City an attractive location for those companies looking to expand or relocate:

- 27% more interstate transportation distribution miles per capita than any other metropolitan area
- 2nd busiest rail hub by tonnage
  - Nearly half of all eastbound intermodal freight entering the country through west coast ports passes through the area
- Kansas City International Airport (MCI) - 15 miles northwest of downtown Kansas City
  - 11.5 million passengers annually \$1.5 billion remodel currently underway; planned completion in 2023
  - 1 million square foot single terminal; 39 gates with the ability to expand to 50
  - 6,300-space parking structure along with landside and airside improvements



## ECONOMY

Kansas City has a steady local economy that historically weathers economic fluctuations because of its diverse industry segments and sectors with particular strategic advantages: advanced manufacturing, the arts, design and engineering, health sciences and services, nonprofit management, and information technology. Headquarters, technology-based companies, entrepreneurs, freight-based companies, and shared-service centers select Kansas City, for its central location, educated workforce and access to a strong support network of public and private programs, civic-minded entrepreneurs, and competitive incentives.

Fast-growing entrepreneurial businesses and established organizations attract and retain skilled talent because Kansas City delivers today's in-demand lifestyles – affordability, diverse housing options, and a vast array of cultural attractions to accompany desirable career paths offering choice, challenge, and competitive compensation.

## LANDMARKS



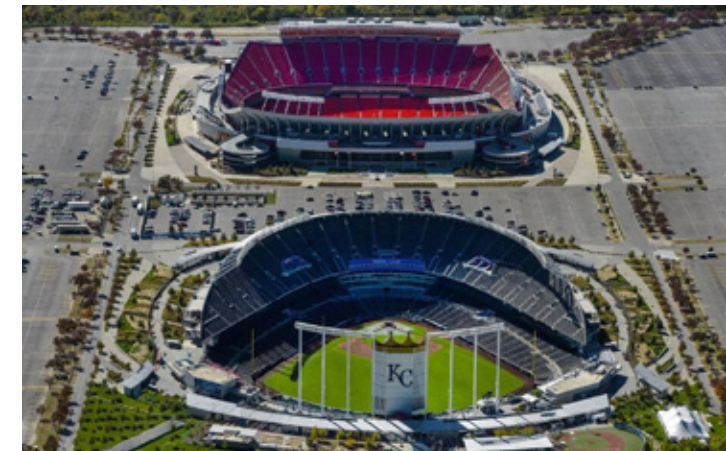
### COUNTRY CLUB PLAZA

- A 55-acre site in the historic upscale Country Club District; upscale apartments and mansions surround the plaza
- 804,000 square feet of retail space and 468,000 square feet of office space



### KANSAS SPEEDWAY & HOLLYWOOD CASINO

- Kansas Speedway is a premier racing facility that hosts multiple NASCAR races and the ARCA Racing Series championship race
- Hollywood Casino is a joint venture between Kansas Speedway and Penn National Gaming; initial phase includes a 100,000 square foot gaming floor
- Additional phases include a hotel, convention center, and an entertainment district



### TRUMAN SPORTS COMPLEX

- Houses two major sports and entertainment venues (Arrowhead and Kauffman stadium)
- Home to NFL's Kansas City Chiefs and Major League Baseball's Kansas City Royals





## Demographics

HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2025 Projection	6,008	38,021	89,493
2020 Estimate	5,926	36,437	86,225
2010 Census	6,092	31,776	78,193

15



## SHREVEPORT, LA

The Shreveport-Bossier City MSA, located in Northwestern Louisiana, reflects a population of 439K and has seen a 10.46% population growth since 2000. Shreveport is regionally located within a 4 hours of Dallas-Fort Worth, Houston, Austin, San Antonio, Jackson, Baton Rouge, Little Rock, Oklahoma City, New Orleans and Memphis. Shreveport is home to several colleges (LSU Shreveport, Centenary College and LSU Medical School), several hospitals (Willis-Knighton Health Systems, Brentwood, Christus Schumpert, Ochsner LSU Health, Overton-Brooks, Shriners and Cornerstone Specialty) as well as the Barksdale Airforce Base (more than 15,000 active-duty members serve here & it is located less than a 6-Mile Drive from Performance Car Wash).

As the third-largest city in the state of Louisiana and the seat of Caddo Parish, Shreveport extends along the Red River. Shreveport was once a major player in United States oil business, and at one time could boast Standard Oil of Louisiana as a locally based company. Recently, Shreveport has largely transitioned into a service economy specifically within the gaming industry and tourism.





A wide-angle photograph of the Shreveport skyline at dusk. In the foreground, a large, rust-colored steel truss bridge spans the left side of the frame. The background is filled with various city buildings, including a prominent tall, modern skyscraper with a dark, tiered top. The sky is a mix of deep blue and purple hues. The city lights are beginning to glow, and their reflections are visible in the water in the foreground.

## BUSINESS CLIMATE

The Shreveport-Bossier City was recently named as a growing area for the technology industry by technology magazine “Innovation and Tech Today”. The recent increase in tech industry jobs through employers such as CSRA and Eatel has put the area on a shortlist of places to watch. The growing number of technology and IT companies located in the region has created nearly 3,000 new tech jobs in the last few years.

In addition to the tech growth, the region has seen an increase of Fortune 500 companies like CenturyLink and IBM to technology start-ups such as CyberReef Solutions. Shreveport allows those who live there to work virtually anywhere





1540 N MARKET ST,  
SHREVEPORT, LA

## SHREVEPORT

### Demographics

POPULATION	1 - MILE	3 - MILE	5 - MILE
2025 Projection	5,456	23,756	95,294
2020 Estimate	5,580	24,116	96,832
2010 Census	5,677	24,113	98,627
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2025 Projection	1,435	9,072	38,324
2020 Estimate	1,467	9,189	38,895
2010 Census	1,489	9,093	39,497
INCOME	1 - MILE	3 - MILE	5 - MILE
2020 Avg Household Income	\$34,876	\$38,575	\$47,487



## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **CVS** located at **Louisiana & Missouri** ("Property"). The 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 and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, 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.

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.

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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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