

Marcus & Millichap

**CVS** pharmacy

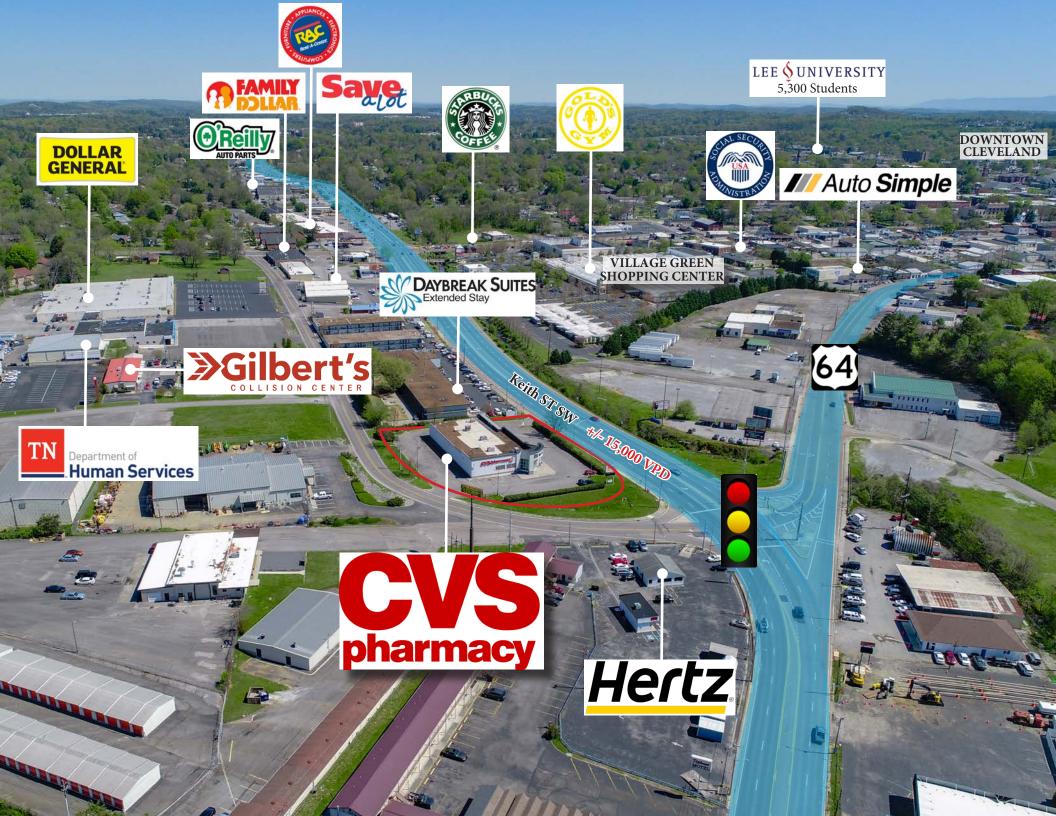
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\*Cvs

Welcome Rite Aid customers.

AND A DECK

(3)



## **FINANCIAL SUMMARY**



\*Building and lot info per CoStar - Buyer will need to verify the accuracy of this during the due diligence period.

# **LEASE OVERVIEW**

#### **LEASE SUMMARY**

Lease Type	NN
Roof, Structure & Parking Lot	Landlord Responsible
Tenant	Tenneessee CVS Pharmacy, LLC
Ownership	Fee Simple
Year Built	1997
Lease Commencement Date	October 10, 1997
Lease Expiration Date	October 31, 2022
Term Remaining	±1.4 years
Increases	±2.6% in each Options
Options	Three, 5-year

#### **RENT SCHEDULE** Current - 10/31/2022 \$197,820 Option 2 (11/1/2022 - 10/31/2027) \$203,181 Option 3 (11/1/2027-10/31/2032) \$208,542 Option 4 (11/1/2032-10/31/2037) NOI

\$213,904 \$197,820 TOTAL RETURN 7.25% | \$197,820







### **INVESTMENT HIGHLIGHTS**

- Corporate Guaranty
- Long term historical occupancy | 24 years at subject location
- Tenant most recently extended the Lease in 2017
- Scheduled rent increases in each option period
- Drive-thru equipped

### **PROPERTY HIGHLIGHTS**

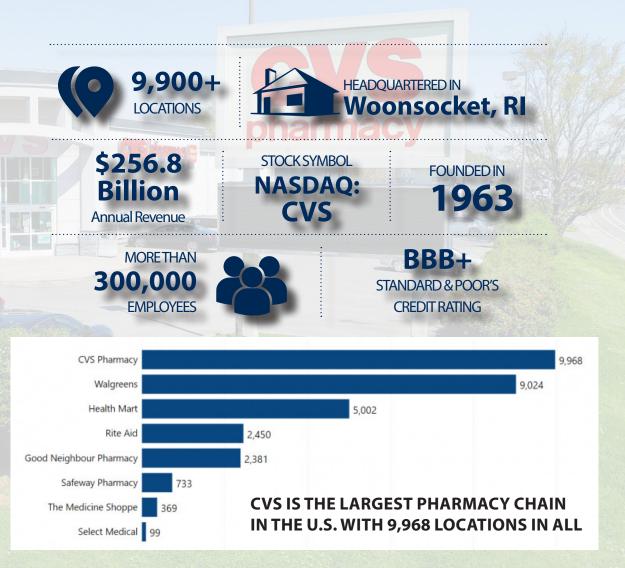
- Large 1.56-acre parcel situated on hard corner of 4-way signalized intersection
- Excellent visibility from Keith St SW (Hwy 64), a main thoroughfare leading to Chattanooga
- Prominent location with minimal competitors on the corridor | Nearest competitor (Rite Aid) closed
- Nearby Lee University (~5,300 students)
- Serves the downtown Cleveland market
- Cleveland is the county seat of Bradley County & the largest city in the county
- Nearby National tenants include Starbucks, Dollar General, Save A Lot, Auto Zone, Family Dollar, O'Reilly Auto Parts, Little Caesars & Advance Auto Parts



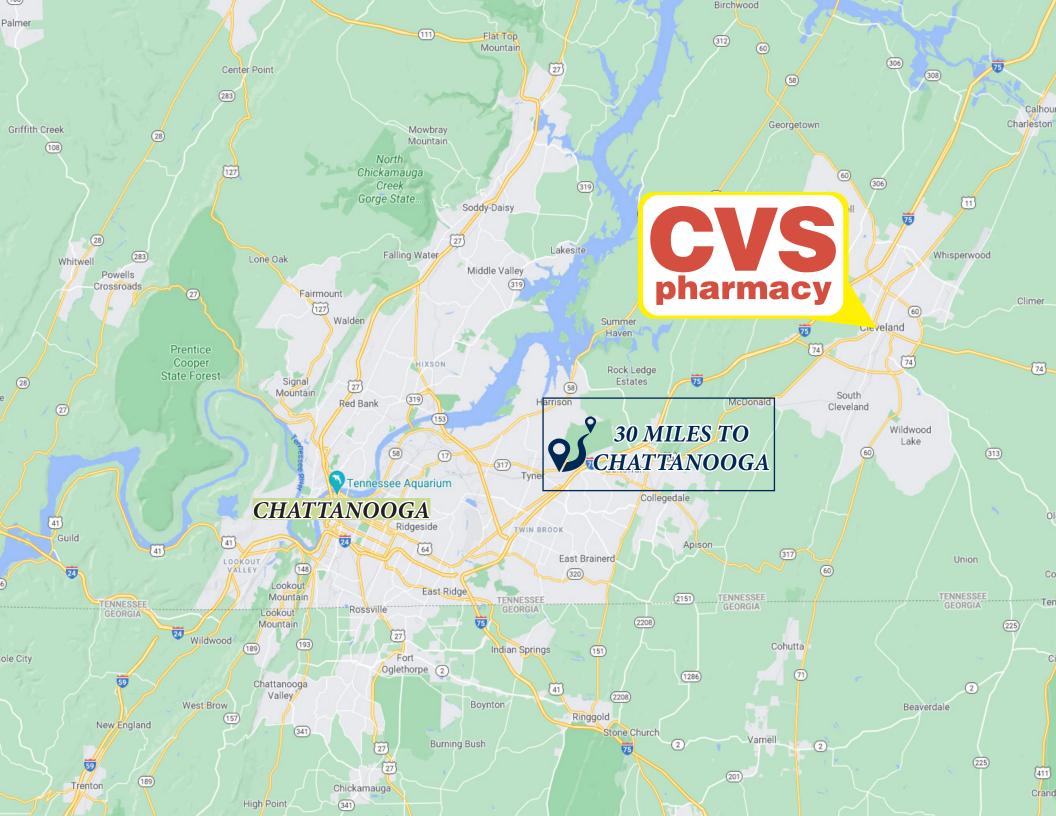
## **TENANT OVERVIEW**

# **CVS** pharmacy

CVS Pharmacy is the largest pharmacy chain in the U.S. with more than 9,900 locations in 49 states including the District of Columbia and Puerto Rico. The company was founded in Lowell, Massachusetts and originally named the Consumer Value Store. CVS Pharmacy is currently the largest pharmacy chain in the United States by total prescription revenue. As the retail pharmacy division of CVS Health, it ranks as the 12th largest company in the world serving 5 million customers each day. 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. It also provides healthcare services to more than 1,100 Minute Clinic medical clinics in 33 states including the District of Columbia. As a pharmacy innovation company, CVS focuses on charitable giving in ways that will help people on their path to better health by improving health outcomes and building healthier communities. Their in-store fundraising campaigns, inkind donations and corporate grants provide support for national nonprofit partners that are focused on helping people on their path to better health.



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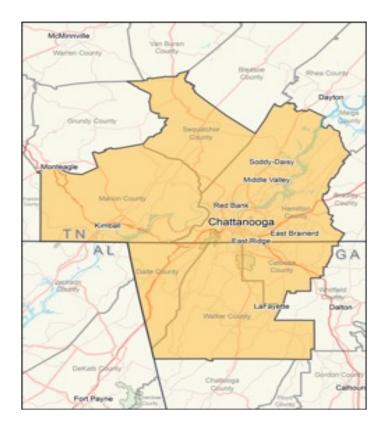
# DEMOGRAPHICS

POPULATION	1 Miles	3 Miles	5 Miles
2025 Projection			
Total Population	6,251	39,777	71,634
<ul> <li>2020 Estimate</li> </ul>			
Total Population	6,152	38,533	68,850
<ul> <li>2010 Census</li> </ul>			
Total Population	5,877	35,688	62,955
<ul> <li>2000 Census</li> </ul>			
Total Population	5,886	33,450	57,240
<ul> <li>Current Daytime Population</li> </ul>			
2020 Estimate	11,867	48,774	78,648
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
<ul> <li>2025 Projection</li> </ul>			
Total Households	2,662	15,568	28,018
<ul> <li>2020 Estimate</li> </ul>	· · ·		
Total Households	2,605	14,970	26,760
Average (Mean) Household Size	2.20	2.40	2.49
<ul> <li>2010 Census</li> </ul>			
Total Households	2,497	13,887	24,532
<ul> <li>2000 Census</li> </ul>			
Total Households	2,577	13,573	22,867
<ul> <li>Occupied Units</li> </ul>			
2025 Projection	2,662	15,568	28,018
2020 Estimate	2,916	16,536	29,043
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
2020 Estimate			
\$150,000 or More	4.67%	4.98%	5.80%
\$100,000 - \$149,000	8.10%	7.79%	10.26%
\$75,000 - \$99,999	7.31%	9.18%	11.40%
\$50,000 - \$74,999	14.71%	16.60%	18.79%
\$35,000 - \$49,999	14.54%	14.98%	14.86%
Under \$35,000	50.65%	46.46%	38.90%
Average Household Income	\$54,233	\$57,999	\$64,985
Median Household Income	\$34,513	\$37,973	\$45,409
Per Capita Income	\$24,710	\$23,306	\$25,706

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$52,978	\$57,395	\$64,498
Consumer Expenditure Top 10     Categories			
Housing	\$14,580	\$15,648	\$17,475
Transportation	\$9,642	\$10,465	\$11,860
Shelter	\$8,125	\$8,633	\$9,703
Food	\$6,248	\$6,675	\$7,383
Personal Insurance and Pensions	\$4,417	\$4,791	\$5,618
Health Care	\$3,789	\$4,222	\$4,675
Utilities	\$3,213	\$3,424	\$3,715
Entertainment	\$1,913	\$2,090	\$2,413
Household Furnishings and Equipment	\$1,494	\$1,631	\$1,847
Apparel	\$1,243	\$1,310	\$1,492
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
Population By Age			
2020 Estimate Total Population	6,152	38,533	68,850
Under 20	24.39%	24.99%	24.95%
20 to 34 Years	32.69%	24.78%	21.77%
35 to 39 Years	5.23%	5.91%	6.04%
40 to 49 Years	10.48%	11.32%	12.32%
50 to 64 Years	15.28%	16.88%	18.24%
Age 65+	11.93%	16.12%	16.68%
Median Age	29.75	35.20	37.69
Population 25+ by Education Level			
2020 Estimate Population Age 25+	3,654	25,247	46,375
Elementary (0-8)	5.77%	6.64%	5.18%
Some High School (9-11)	10.61%	10.90%	9.80%
High School Graduate (12)	30.43%	31.41%	31.51%
Some College (13-15)	20.05%	23.14%	23.23%
Associate Degree Only	7.79%	7.79%	8.12%
Bachelors Degree Only	14.56%	11.48%	12.75%
Graduate Degree	8.78%	7.25%	8.39%

# **MARKET OVERVIEW - CHATTANOOGA**

Located at the ridge-and-valley portion of the Appalachian Mountains and the Cumberland Plateau, the Chattanooga metropolitan area consists of six counties in Tennessee and Georgia: Hamilton, Marion, Sequatchie, Catoosa, Dade and Walker. The region's growing economy has drawn new residents in recent years. Roughly 567,000 people reside in the metro, including 181,000 in Chattanooga, the most populous city. Over the next five years, an additional 17,900 people will call the metro home.



#### METRO HIGHLIGHTS

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#### MANUFACTURING AND DISTRIBUTION BASE

The Chattanooga metro is home to large manufacturing and distribution companies, including Volkswagen and Amazon.

#### AFFORDABLE COST OF LIVING

A relatively affordable cost of living draws many residents, maintaining a homeownership rate of 67 percent, with increasing household formation.

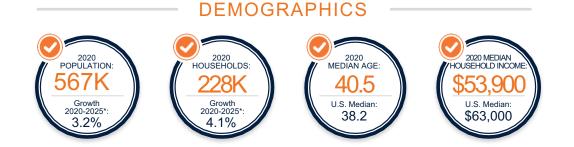


#### CENTRAL LOCATION

The metro is a transit hub, served by rail and interstate systems. It has quick access to Atlanta, Knoxville, Nashville, Huntsville and Birmingham.

### ECONOMY

- The local economy is heavily based in manufacturing with multiple headquarters such as that of McKee Foods Corp., the maker of the Little Debbie brand of snack cakes, and Roper Corp., a manufacturer of cooking products.
- Healthcare is also an important driver. The three local hospital systems are Erlanger Health System, Parkridge Hospital System and CHI Memorial.
- The metro's proximity to other major Southern markets makes it a strategic location for distribution and third-party logistics firms including Amazon, U.S. Xpress Enterprises and Kenco Group.



#### MARKET OVERVIEW

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