



SUBJECT



OFFERING MEMORANDUM

# CVS PHARMACY

Athens, GA

Marcus & Millichap



# OFFERING SUMMARY



795 Oglethorpe Ave. Athens, GA 30606

PRICE	\$9,063,000
CAP RATE	5.00%
NOI	\$453,127
RENTABLE SQUARE FEET	14,781
YEAR BUILT	2009
LOT SIZE	2.47
TENANT TRADE NAME	CVS
LEASE GUARANTOR	Corporate
LEASE TYPE	Absolute NNN
ROOF & STRUCTURE	Tenant
LEASE TERM	25 Years

RENT COMMENCEMENT DATE	January 2010
LEASE EXPIRATION DATE	January 2035
TERM REMAINING ON LEASE	13+ Years
BASE RENT	\$453,127
OPTIONS	10, 5 Year Options
INCREASES	5% During First 2 Option Periods, Fair Market Rental Value During Last 8 Option Periods
TENANT RESPONSIBILITIES	Taxes, Insurance, CAM, Roof & Structure
LANDLORD RESPONSIBILITIES	100% No Landlord Responsibilities



DEMOGRAPHIC SUMMARY	1-MILE	3-MILE	5-MILE
POPULATION	6,396	64,509	103,516
AVG. HOUSEHOLD INCOME	\$55,927	\$66,718	\$64,069
POPULATION GROWTH	8.53%	11.03%	10.91%



# INVESTMENT HIGHLIGHTS

## LONG TERM CORPORATE NNN LEASE WITH INCREASES

- The subject property is a CVS with over 13 years remaining on an initial 25 year lease.
- The lease is absolute NNN and the Tenant is 100% responsible for all expenses including taxes, CAM, insurance, roof, and structure.
- There are 5% rent increases during the first 2 option periods and Fair Market Value increases in the remaining 8 5-year options.

## INVESTMENT GRADE TENANT

- CVS is a publicly traded (NYSE: CVS) Fortune 500 Company and currently holds an investment grade rating of BBB with S&P.
- CVS is the largest pharmacy chain in the country and has a net worth of over \$250B.
- There are currently more than 9,800 CVS locations in 45 states.
- Annual revenues increased 4.7% in 2020 and were over \$268B.

## NEAR THE UNIVERSITY OF GEORGIA

- The subject property is located less than 2.5 miles from the University of Georgia.
- The University of Georgia is the largest university in GA with over 39,000 students and a faculty of nearly 11,000.
- Founded in 1785, it is the oldest and largest of Georgia's Institution of Higher learning and considered the State's flagship university.
- Most known for Football, UGA offers 21 varsity sports and has 46 national championships, of which 34 were achieved since 1999.

## WELL LOCATED IN ACTIVE MEDICAL CORRIDOR

- This CVS sits at the corner of a four-way signalized intersection of Oglethorpe & Hawthorne Ave with a combined daily traffic count of 26,000 VPD.
- Its well located adjacent to UGA's Health Sciences Campus and surrounded by numerous hospitals and medical facilities.
- The 5 Mile Population is 103,516 with 10.91% growth.

## DOUBLE DRIVE THRU CVS

- This CVS is open until midnight and is a double drive thru location.

## ATHENS

- Athens is located 70 miles East of Atlanta in the northeastern part of the state.
- Athens is the 6th largest city in Georgia and the principal city of the Athens-Clarke County, GA
- Athens is home to several pharmaceutical manufacturing and biotechnology companies such as Merial and Janssen Pharmaceuticals
- It has been ranked by Forbes as one of "The Best Place to Retire in 2017" and is ranked as one of the best college towns in the country.





# TENANT SUMMARY



**BBB**

S&P CREDIT RANKING  
INVESTMENT GRADE

**CVS**

PUBLICALLY  
TRADED

**\$250+ B**

TOTAL NET  
WORTH

**58**

YEARS IN  
BUSINESS

**9,800+**

STORES  
NATIONWIDE

**4**

FORTUNE 500  
RANKING

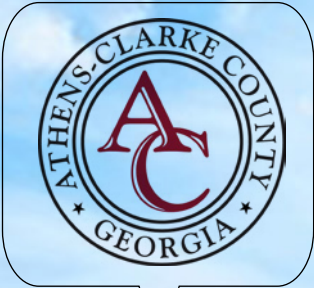
**CVS Pharmacy** is the nation's premier health innovation company helping people on their path to better health. Whether in one of its pharmacies or through its health services and plans, CVS Pharmacy is pioneering a bold new approach to total health by making quality care more affordable, accessible, simple and seamless. CVS Pharmacy 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 Pharmacy 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. CVS embedded itself on the front lines of the COVID pandemic as one of the central hubs for distributing vaccines to local communities. In the first quarter of 2021 alone, the company, now fully integrated with health insurer Aetna following a mammoth \$69 billion acquisition, produced more than \$69 billion in revenues. In 2020, revenue grew \$12 billion compared to the previous year. Karen Lynch, who became CEO in February 2021, believes that "millions of new customers will engage with CVS Pharmacy for the first time through testing and vaccine administration." The company's upbeat guidance for 2021, meanwhile, relies on pharmacy sales, rather than retail, to carry the revenue growth.



AERIAL

**DUNKIN'** **K** **POPEYES**  
**LOUISIANA KITCHEN**  
**FIREHOUSE SUBS** **Krystal**  
FOUNDED BY FIREMEN™  
McDonalds

**Piedmont**  
**HEALTHCARE**  
Piedmont Athens Regional  
Medical Center  
360-Bed Hospital



**UNIVERSITY OF GEORGIA**  
HEALTH CAMPUS

**UNIVERSITY OF GEORGIA**  
39,147 STUDENTS  
11,000 EMPLOYEES

**boostmobile**  
**Allstate**

**MERCY**  
a Christian health resource center



Russell's Orthodontics  
of Athens

**CITGO**

**CVS**  
pharmacy

SOUTHERN CULTURE FISH & GRITS

19,400 VPD  
Hawthorne Ave.

12,700 VPD  
Oglethorpe Ave.





# AERIAL 2



Athens-Ben Epps Airport

  
The University of Georgia  
39,147 STUDENTS  
11,000 EMPLOYEES


  
Alps Road Elementary School  
  
Clarke Middle School

  
Athens Regional  
MEDICAL CENTER  
3,050 Employees

  
The University of Georgia  
Health Sciences  
Campus

  
MERCY  
a Christian health resources center

  
H&R BLOCK  
  
Allstate  
  
boostmobile

  
CVS  
pharmacy

 19,400

 12,700

  
The Fresh Market  
  
Jason's deli  
  
T-Mobile  
  
TJ-maxx  
  
WELLS FARGO  
  
Stein Mart  
  
ZAXBY'S  
  
SUBWAY  
  
Chick-fil-A  
  
CVS/pharmacy  
  
Bank of America

  
LANDMARK  
HOSPITAL

  
the  
Y  
YMCA



# AERIAL 3

KFC  
Checkers  
RED LOBSTER  
LONGHORN STEAKHOUSE  
Walgreens  
verizon wireless  
AutoZone  
Advance Auto Parts

Kroger  
Wendy's  
Mo's  
ZOË'S KITCHEN  
Chipotle  
Steak 'n Shake  
OfficeMax  
ST. MARY'S  
Schlitzky's

Jason's deli  
T-Mobile  
T.J. maxx  
Stein Mart  
WELLS FARGO  
ZAXBY'S  
SUBWAY  
Chick-fil-A  
CVS/pharmacy  
Bank of America

Alps Road  
Elementary School  
Clarke  
Middle School

Publix  
BED BATH & BEYOND  
Party City  
CVS pharmacy  
DOLLAR TREE  
OUTBACK STEAKHOUSE  
Olive Garden  
BARNES & NOBLE  
WELLS FARGO

macy's  
SEARS  
BEST BUY  
jcpenney  
HOBBY LOBBY  
belk  
Race Trac  
Georgia Square Mall

The University of Georgia  
Health Sciences  
Campus

LANDMARK  
HOSPITAL

MERCY  
a Christian health resource center

CVS  
pharmacy

H&R BLOCK  
Allstate  
boostmobile

12,700

19,400

the  
Y



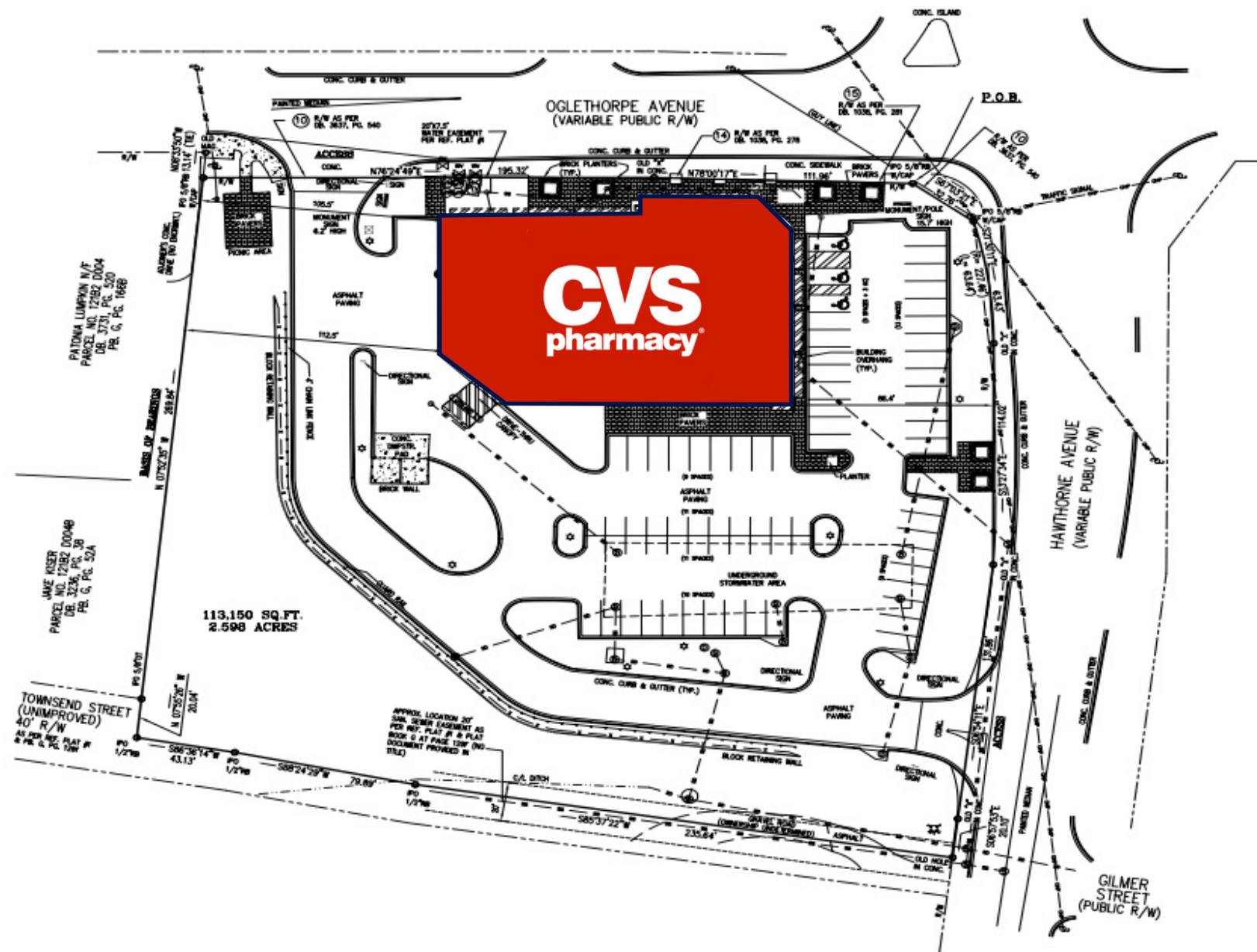


# AERIAL 4





# SITE PLAN





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**Marcus & Millichap**  
**TAYLOR MCMINN**  
**RETAIL GROUP**

Dated:

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don.mcminn@marcusmillichap.com

**Re: 795 Oglethorpe Ave, Athens, GA 30606 (CVS)**

Dear:

Please accept this offer to purchase the above referenced Property. This letter expresses Purchaser's interest in purchasing the Property under the following terms and conditions:

**Purchaser** \_\_\_\_\_

**Purchaser's  
Address** \_\_\_\_\_

**Purchaser's  
Phone/Fax** \_\_\_\_\_

**Purchaser's  
Email Address** \_\_\_\_\_

**Offer Price** \_\_\_\_\_

**Earnest Money** \$75,000 earnest money deposit due within forty-eight (48) hours of the Effective Date of the Contract with an additional \$75,000 deposited at the expiration of the Inspection Period (\$150,000 Total). The Earnest Money shall become non-refundable barring any other listed contingencies at the expiration of the Inspection Period.

**Inspection Period** 21 Calendar Days from the Effective Date, which shall mean the date on which the latter of the parties executes a Contract. All available Due Diligence Documents ("Documents") will be forwarded immediately upon the Effective Date of the Contract.

Purchaser's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_



**Financing Period**  
(Please Check One)

☐ **All Cash** (No Financing Period)

☐ **Financing:** Purchaser shall have ten (10) days from the Effective Date of the Contract to apply for and obtain a financing commitment. In addition, Purchaser shall have 30 days from the effective date of the contract to complete loan processing. Purchaser shall use its best efforts to secure and obtain a new first mortgage loan in the amount of \$\_\_\_\_\_ on terms which are acceptable to Purchaser.

**Closing Date**  
(Please Check One)

☐ **New Property:** Within 10 Calendar Days after rent commencement and receipt of tenant estoppel.

☐ **Existing Property** Within 10 Calendar Days after the expiration of the Inspection Period (or Financing Period if applicable).

**Closing Costs**

Seller shall pay for the transfer tax. Buyer shall pay for Title. Purchaser and Seller shall each bear its own attorneys expenses. All other Closing Costs shall be split 50-50 between Buyer and Seller.

**Property Condition**

Property is being sold "AS IS" with Seller making representations or warranties concerning the property.

**Contract within 10 days:**

Within Ten (10) Calendar Days of the Effective Date of this Letter of Intent, Purchaser and Seller shall enter into a binding Contract (the "Contract"). Seller will Draft the Contract and Failure to reach an agreement will allow the Seller to consider this agreement void and accept offers from other parties.

**Broker Commission**

Purchaser acknowledges that Purchaser has employed \_\_\_\_\_, ("Purchaser's Brokers") to represent them in this transaction. Any commissions due the Purchaser's broker (if applicable) shall be paid by the Seller directly.

**1031 Exchange**

Purchaser ☐ is / ☐ is not (check one) completing an IRS 1031 Tax Deferred Exchange, to which the Seller agrees to cooperate providing there is no cost or expense to Seller. Purchaser has \$\_\_\_\_\_ in an exchange account from a transaction which closed escrow on \_\_\_\_\_. Purchaser will provide Seller, upon request, proof of such funds.

**Confidentiality**

Purchaser and Purchaser's agents and representatives hereby covenant with Seller that Purchaser and Purchaser's agents and representatives shall not, without the prior written consent of Seller (which consent may be withheld in Seller's sole and absolute discretion), disclose to any other person (other than Purchaser's

Purchaser's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_



accountants and attorneys) or entity by any means whatsoever: (i) any information pertaining to the Documents; (ii) any information pertaining to the Contract; or (iii) any information or documentation (written or oral) provided by Seller or Seller's agents and representatives concerning Seller, Seller's business, Tenant, Tenant's business or the Property.

This Letter of Intent is contingent upon the prospective Purchaser's willingness to execute Seller's standard Purchase Agreement as well as review and approval of the details of the transaction proposed above by the appropriate principal parties of the Seller.

It is understood and agreed that the foregoing constitutes a *Letter of Intent* setting forth the major business points from our discussions. It is further understood that neither party intends to create any contractual rights or obligations as a result of entering into this *Letter of Intent*. No binding agreement or rights or obligations shall arise as the result of executing this letter or with respect to the proposed transactions, unless and until we execute definitive documentation incorporating the above provisions and other appropriate terms.

If the foregoing accurately reflects our discussions, please acknowledge same by returning a signed copy of this letter. Execution of this Letter of Intent by the undersigned agent in no way binds or obligates the Seller or any of its principals.

**Agreed and Accepted | Purchaser**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Dated: \_\_\_\_\_

**Agreed and Accepted | Seller**

By: \_\_\_\_\_

Printed: \_\_\_\_\_

Dated: \_\_\_\_\_

Purchaser's Initials \_\_\_\_\_ Seller's Initials \_\_\_\_\_