

SINGLE TENANT ABSOLUTE NNN

Investment Opportunity

CVS
pharmacy

W/ Drive-Thru Pharmacy
(S&P: BBB | NYSE: CVS)



77 US-206 | Stanhope, New Jersey

NEWARK MSA

ACTUAL SITE

 **SRS** | NATIONAL
NET LEASE
GROUP

EXCLUSIVELY MARKETING BY



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Pharmacy



Drop Off

PROPERTY PHOTO





SRS National Net Lease Group is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN, corporate guaranteed, investment grade (S&P: BBB), drive-thru equipped, CVS Pharmacy investment property located in Stanhope, NJ (Newark MSA). The tenant has 19 years remaining in their initial term with 5 (5-year) options to extend. The lease features 10% rental increases at the beginning of each option period, growing NOI and hedging against inflation. The lease is guaranteed by CVS Caremark Corporation (S&P: BBB) and is absolute NNN with zero landlord responsibilities, making it an ideal, management-free investment opportunity for a passive investor. CVS is the largest pharmacy chain in the United States with more than 9,900 stores across 49 states, the District of Columbia, and Puerto Rico.

CVS Pharmacy is strategically located at the signalized, hard corner intersection of U.S. Highway 206 and Lackawanna Drive, averaging a combined 24,300 vehicles passing by daily. The building is equipped with a drive-thru pharmacy, providing ease and convenience for customers. The site benefits from excellent visibility via significant street frontage and a large monument sign along U.S. Highway 206. Additionally, the property profits from nearby access to Interstate 80 (67,800 VPD), a cross country freeway that leads directly into the heart of the New York City Metropolitan Area. Furthermore, the asset is ideally situated across from Byram Plaza, a 176,000 SF shopping center anchored by ShopRite. Grocery anchored retail centers significantly increase consumer draw to the immediate trade area and promote crossover store exposure for the site. Other nearby national/credit tenants include Chase Bank, Verizon, McDonald's, Dunkin', Mavis Discount Tire, PNC Bank, and more. The 5-mile trade area is supported by more than 54,800 residents and 15,200 daytime employees. Residents within 1 mile of the subject property boast an affluent average household income of \$134,266.

PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Pricing	\$11,271,000
Net Operating Income	\$507,206
Cap Rate	4.50%
Guaranty	Corporate (S&P: BBB)
Tenant	CVS Pharmacy
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	No

PROPERTY SPECIFICATIONS

Rentable Area	12,900 SF
Land Area	2.25 Acres
Property Address	77 US-206 Stanhope, New Jersey 07874
Year Built	2015
Parcel Number	1904-34-14
Ownership	Fee Simple (Land & Building)

19 Years Remaining | Corporate Guaranteed | Investment Grade Tenant (S&P: BBB)

- Tenant has 19 years remaining in their initial term with 5 (5-year) options to extend
- Corporate guaranteed by CVS Caremark Corporation (S&P: BBB), an investment grade tenant and nationally recognized pharmacy
- CVS is the largest pharmacy chain in the United States with more than 9,900 stores across 49 states, the District of Columbia, and Puerto Rico

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

Demographics in 5-Mile Trade Area | Six-Figure Incomes

- Trade area is supported by more than 54,800 residents and 15,200 daytime employees
- Residents within 1 mile of the subject property boast an affluent average household income of \$134,266

Across From Grocery Anchored Center | National/Credit Tenant Presence

- Across from Byram Plaza, a 176,000 SF shopping center anchored by ShopRite
- Grocery anchored retail centers significantly increase consumer draw to the immediate trade area and promote crossover store exposure for the site
- Other nearby national/credit tenants include Chase Bank, Verizon, McDonald's, Dunkin', Mavis Discount Tire, PNC Bank, and more

Signalized, Hard Corner Intersection | Excellent Visibility | Drive-Thru Equipped | Quick Access to I-80 (67,800 VPD)

- Located at the signalized, hard corner intersection of U.S. Highway 206 and Lackawanna Drive, averaging a combined 24,300 vehicles passing by daily
- Building is equipped with a drive-thru pharmacy, providing ease and convenience for customers
- Site benefits from excellent visibility via significant street frontage and a large monument sign along U.S. Highway 206
- Nearby access to Interstate 80 (67,800 VPD), a cross country freeway that leads directly into the heart of the New York City Metropolitan Area

PROPERTY OVERVIEW

Location



Stanhope, New Jersey
Sussex County
Newark MSA

Parking



There are approximately 67 parking spaces on the owned parcel.
The parking ratio is approximately 5.19 stalls per 1,000 SF of leasable area.

Access



U.S. Hwy 206: 2 Access Points

Parcel



Parcel Number: 1904-34-14
Acres: 2.25
Square Feet: 98,010

Traffic Counts



U.S. Hwy 206: 24,300 Vehicles Per Day
Interstate 80: 67,800 Vehicles Per Day

Construction



Year Built: 2015

Improvements



There is approximately 12,900 SF of existing building area

Zoning



VB: Village Business







2021 POPULATION	
1 Mile	1,652
3 Miles	22,171
5 Miles	54,825
2021 AVERAGE HOUSEHOLD INCOME	
1 Mile	\$134,266
3 Miles	\$108,843
5 Miles	\$121,774
2021 TOTAL EMPLOYEES	
1 Mile	1,316
3 Miles	6,117
5 Miles	15,208



CVS
pharmacy

206

MONUMENT SIGN

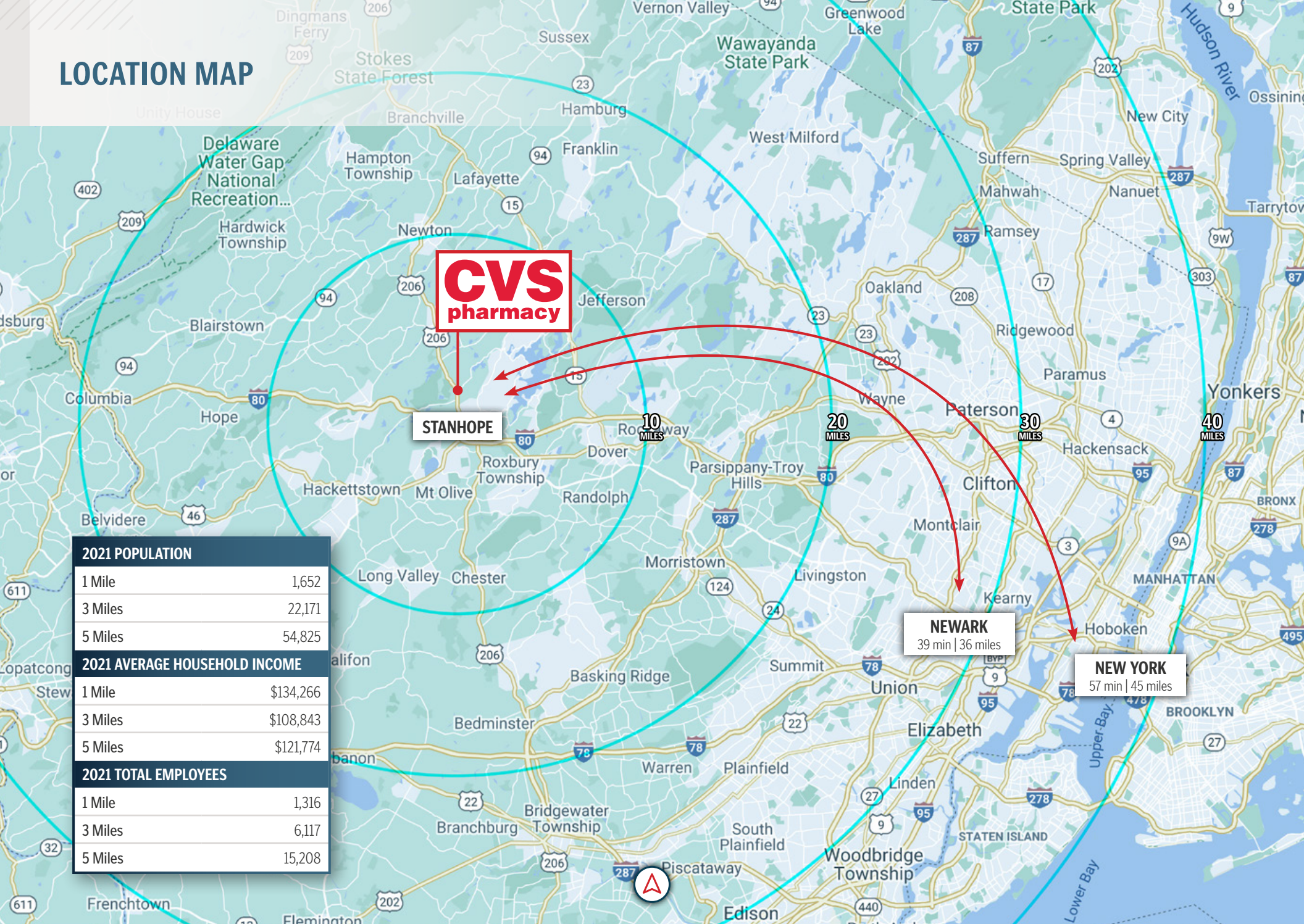
24,300
VEHICLES PER DAY



PROPERTY PHOTO



LOCATION MAP





STANHOPE, NEW JERSEY

Stanhope is a borough in Sussex County, New Jersey, United States. Stanhope began as a small iron forge town in the late 1700's and eventually developed into a vibrant, bustling community hub powered by the Morris Canal and the Musconetcong River. The Borough of Stanhope had a population of 3,442 as of July 1, 2020.

The largest industries in Stanhope are Retail Trade, Professional, Scientific, & Technical Services, and Manufacturing, and the highest paying industries are Finance & Insurance, Wholesale Trade, and Manufacturing. Education is served in the town by Lenape Valley Regional High School and Stanhope Valley Road Elementary School.

Sussex County encompasses a total of 536 square miles in area and is situated at the extreme northwest corner of New Jersey. It is bounded to the southeast by Morris County, to the east by Passaic County, to the southwest by Warren County, to the west by the Delaware River and Pike County, Pennsylvania, and to the north by Orange County, New York. Sussex County is the northernmost county in the State of New Jersey. Its county seat is Newton. It is part of the New York Metropolitan Area and is part of the state's Skylands Region, a term promoted by the New Jersey Commerce, Economic Growth, & Tourism Commission to encourage tourism. New Jersey ranks fifth in the nation in revenues generated from tourism.

The main economic activities are services and retail trade. Also important are mining, insurance, and agriculture (hay, dairy products, and livestock). Today, Sussex County features a mix of rural farmland, forests and suburban development. Because agriculture (chiefly dairy farming) has decreased and that the county hosts little industry, Sussex County is considered a "bedroom community" as most residents commute to neighboring counties (Bergen, Essex and Morris counties) or to New York City for work.



NEWARK, NEW JERSEY

Newark is the most populous city in the U.S. state of New Jersey and the seat of Essex County. As one of the nation's major air, shipping, and rail hubs, the city had a census-estimated population of 282,011 in 2019, making it the nation's 73rd-most populous municipality.

Settled in 1666 by Puritans from New Haven Colony, Newark is one of the oldest cities in the United States. Its location at the mouth of the Passaic River (where it flows into Newark Bay) has made the city's waterfront an integral part of the Port of New York and New Jersey. Today, Port Newark–Elizabeth is the primary container shipping terminal of the busiest seaport on the U.S. East Coast. Newark Liberty International Airport was the first municipal commercial airport in the United States, and today is one of its busiest.

Several leading companies have their headquarters in Newark, including Prudential, PSEG, Panasonic Corporation of North America, Audible.com, IDT Corporation, and Manischewitz. A number of important higher education institutions are also in the city, including the Newark campus of Rutgers University (which includes law and medical schools and the Rutgers Institute of Jazz Studies); the New Jersey Institute of Technology; and Seton Hall University's law school. The U.S. District Court for the District of New Jersey sits in the city as well. Local cultural venues include the New Jersey Performing Arts Center, Newark Symphony Hall, the Prudential Center and The Newark Museum of Art.

Newark is divided into five political wards (East, West, South, North and Central) and contains neighborhoods ranging in character from bustling urban districts to quiet suburban enclaves. Newark's Branch Brook Park is the oldest county park in the United States and is home to the nation's largest collection of cherry blossom trees, numbering over 5,000.

AREA DEMOGRAPHICS

	1 MILE	3 MILES	5 MILES
POPULATION			
2021 Estimated Population	1,652	22,171	54,825
2026 Projected Population	1,626	22,001	54,800
2010 Census Population	1,660	22,635	54,563
HOUSEHOLDS & GROWTH			
2021 Estimated Households	560	8,610	20,975
2026 Projected Households	553	8,595	21,058
2010 Census Households	554	8,690	20,595
RACE & ETHNICITY			
2021 Estimated White	91.94%	90.28%	88.08%
2021 Estimated Black or African American	2.24%	3.73%	3.97%
2021 Estimated Asian or Pacific Islander	3.81%	3.10%	4.79%
2021 Estimated American Indian or Native Alaskan	0.54%	0.23%	0.19%
2021 Estimated Other Races	0.85%	3.60%	2.73%
2021 Estimated Hispanic	6.90%	15.79%	13.94%
INCOME			
2021 Estimated Average Household Income	\$134,266	\$108,843	\$121,774
2021 Estimated Median Household Income	\$110,150	\$88,529	\$95,261
2021 Estimated Per Capita Income	\$46,645	\$41,752	\$46,808
BUSINESSES & EMPLOYEES			
2021 Estimated Total Businesses	103	608	1,610
2021 Estimated Total Employees	1,316	6,117	15,208



RENT ROLL



LEASE TERM						RENTAL RATES					
TENANT NAME	SQUARE FEET	LEASE START	LEASE END	BEGIN	INCREASE	MONTHLY	PSF	ANNUALLY	PSF	RECOVERY TYPE	Options
CVS Pharmacy	12,900	Sept. 2015	Aug. 2040	Current	-	\$42,267	\$3.28	\$507,206	\$39.32	Absolute NNN	5 (5-Year)
(Corporate Guaranty)		(Est.)	(Est.)								10% Increases at Beg. of Each Option

FINANCIAL INFORMATION

Price	\$11,271,000
Net Operating Income	\$507,206
Cap Rate	4.50%
Lease Type	Absolute NNN

PROPERTY SPECIFICATIONS

Year Built	2015
Rentable Area	12,900 SF
Land Area	2.25 Acres
Address	77 US-206 Stanhope, New Jersey 07874



For financing options and loan quotes:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com

BRAND PROFILE



CVS PHARMACY

cvsv.com

Company Type: Subsidiary

Locations: 1,700+

Parent: CVS Health

2020 Employees: 213,000

2020 Revenue: \$268.71 Billion

2020 Net Income: \$7.18 Billion

2020 Assets: \$230.72 Billion

2020 Equity: \$69.39 Billion

Credit Rating: S&P: BBB

CVS Pharmacy, the retail division of CVS Health (NYSE: CVS), is America's leading retail pharmacy with nearly 10,000 locations, including over 1,700 pharmacies inside of Target and Schnucks grocery stores. It is the first national pharmacy to end the sale of tobacco and the first pharmacy in the nation to receive the Community Pharmacy accreditation from URAC, the leading health care accreditation organization that establishes quality standards for the health care industry. The company was incorporated in 1969 and is based in Woonsocket, Rhode Island.



SRS

NATIONAL
NET LEASE
GROUP

THE EXCLUSIVE NET LEASE CAPITAL MARKETS TEAM
OF SRS REAL ESTATE PARTNERS

275+

RETAIL
PROFESSIONALS

25+

OFFICES

#1

LARGEST REAL ESTATE
SERVICES FIRM
in North America
exclusively dedicated
to retail

1.7K+

RETAIL
TRANSACTIONS
company-wide
in 2020

500+

NET LEASE
PROPERTIES SOLD
in 2020

\$1.9B

NET LEASE
TRANSACTION VALUE
in 2020

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