

CVS PHARMACY

12077 South Orange Blossom Trail, Orlando, FL 32837

Marcus & Millichap
OFFERING MEMORANDUM



OFFERED AT \$12,253,733

(NYSE: CVS | S&P: BBB+)

INVESTMENT HIGHLIGHTS

- Absolute NNN Lease | Zero Landlord Responsibilities
- Corporate Guarantee from a Credit Rated Tenant | NYSE Standard & Poor's BBB+
- Heavy Traffic Counts | 55,000+ Cars per day on South Orange Blossom Trail
- Long Term Lease | 13+ Years Remaining on the Lease
- Dense Location | 84,000+ people in a 3-Mile Radius
- Florida is an Income Tax Free State
- Large 1.42 ACRE Lot with a Drive Thru Pharmacy
- Seller to provide full Rent Holiday credit at Close of Escrow

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present a CVS for sale located at 12077 South Orange Blossom Trail in Orlando, Florida. The 13,846 Square Foot Building on 1.42 Acres with a Drive Thru Pharmacy benefits from being strategically located on South Orange Blossom Trail, which sees over 55,000 cars per day. The property is close to several Regional Medical Centers and Hospitals, large residential communities with over 75,000 people residing in a 3-Mile Radius and numerous national retailers. The property is perfect for a principal looking for a passive investment with a long term, Absolute NNN Lease with a Corporate Guarantee from a Credit Tenant.

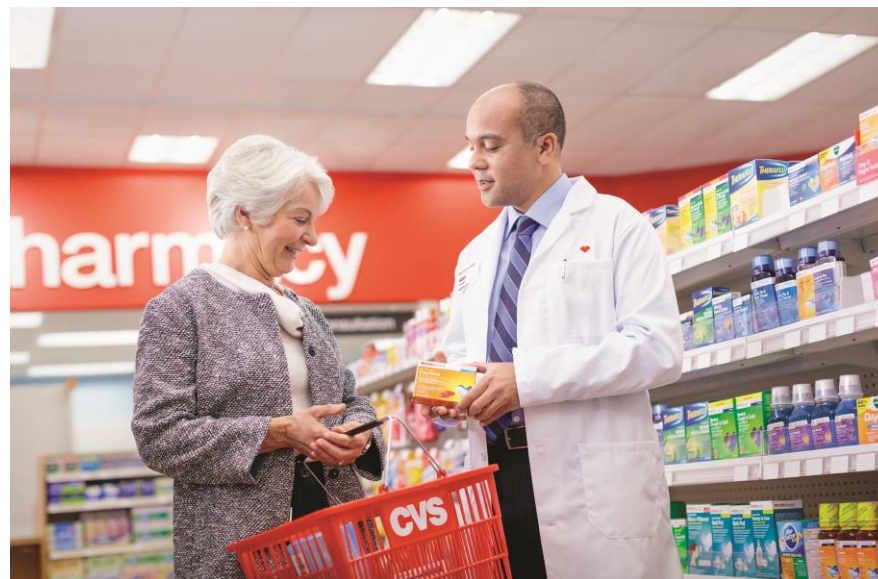
CVS is one of the nation's largest leading drugstore chains with over 9,600 stores. CVS sells prescription drugs and a wide assortment of general merchandise, It also provides healthcare services through its more than 1,100 MinuteClinic medical clinics as well as their Diabetes Care Centers. Most of these clinics are located within CVS stores.

OFFERING SUMMARY

| | |
|---------------------|--------------|
| PRICE | \$12,253,733 |
| NOI | \$551,418 |
| TERM REMAINING | 13+ YEARS |
| CAP RATE | 4.5% |
| PRICE/SF | \$885 |
| LEASE TYPE | Absolute NNN |
| GROSS LEASABLE AREA | 13,846 SF |
| YEAR BUILT | 2010 |
| LOT SIZE | 1.42 Acres |

LEASE SUMMARY

| | |
|-------------------------|---|
| PROPERTY ADDRESS | 12077 South Orange Blossom Trail, Orlando, FL |
| PROPERTY SUBTYPE | Fee Simple |
| LEASE GUARANTOR | Corporate |
| TENANT | CVS Health Corporation |
| LEASE COMMENCEMENT | May 1, 2010 |
| LEASE EXPIRATION | January 10, 2035 |
| RENEWAL OPTIONS | Two 5-Year |
| RENTAL INCREASES | Fixed rate at 90% in Option Periods |
| LANDLORD RESPONSIBILITY | None |
| TENANT RESPONSIBILITY | Property Taxes, Insurance, Maintenance & Repair |
| RIGHT OF FIRST REFUSAL | No |

**LEASE TERM****ANNUAL RENT****MONTHLY RENT****INCREASE**

| | | | | |
|----------|-----------------------|-----------|-------------|----------------|
| CURRENT | 5/1/2010 – 1/10/2035 | \$551,418 | \$45,951.50 | |
| OPTION 1 | 1/11/2035 – 1/10/2040 | \$496,276 | \$41,356.33 | Fixed rate 90% |
| OPTION 2 | 1/11/2040 – 1/10/2045 | \$496,276 | \$41,356.33 | Fixed rate 90% |



TENANT PROFILE

| | |
|---------------------|------------------------|
| Tenant | CVS Health Corporation |
| Lease Guarantor | Corporate |
| Ownership | Public |
| Number of Locations | 9,967 + |
| Year Founded | 1963 |
| Headquarters | Woonsocket, RI |

ABOUT THE TENANT

CVS Health Corporation (NYSE: CVS), headquartered in Woonsocket, Rhode Island is the largest pharmacy health care provider in the United States. CVS Health is a pharmacy innovation company helping people on their path to better health. Through its more than 9,800 retail pharmacies, more than 1,100 walk-in medical clinics a leading pharmacy benefits manager with more than 93 million plan members, a dedicated senior pharmacy care business serving more than one million patients per year, and expanding specialty pharmacy services, the Company enables people, businesses and communities to manage health in more affordable and effective ways. This unique integrated model increases access to quality care, delivers better health outcomes and lowers overall health care costs. CVS stores sell prescription drugs, as well as other products such as non-prescription medications, health and beauty aids, and cosmetics. The company also operates the largest network of acute medical care clinics via 1,100 MinuteClinic health care clinics throughout the U.S. MinuteClinic are staffed by nurse practitioners and physician assistants utilizing recognized protocols to diagnose and treat minor health conditions, perform health screenings, monitor chronic conditions, and provide vaccinations. In November 2018, CVS completed a \$69 billion merger with Aetna. The deal combined CVS' pharmacies with Aetna's insurance business, creating a healthcare powerhouse. CVS is the largest pharmacy in the United States based on prescription revenue. CVS has more than 9,800+ retail drug stores in all 49 states, the District of Columbia, Puerto Rico and Brazil. CVS employs more than 246,000 colleagues across 49 states, Washington, D.C., Puerto Rico and Brazil. CVS employs more than 30,000 pharmacists to counsel patients on managing their medications. CVS fills or manages 2.5 billion prescriptions every year. This represents a retail pharmacy market share of 23.7%. As a leading Pharmacy Benefit Manager (PBM) CVS has over 93 million plan members and over 23 million medical benefit members.



CVS PHARMACY – 12077 SOUTH ORANGE BLOSSOM TRAIL



ORANGE BLOSSOM TRAIL - 55,000+ CPD

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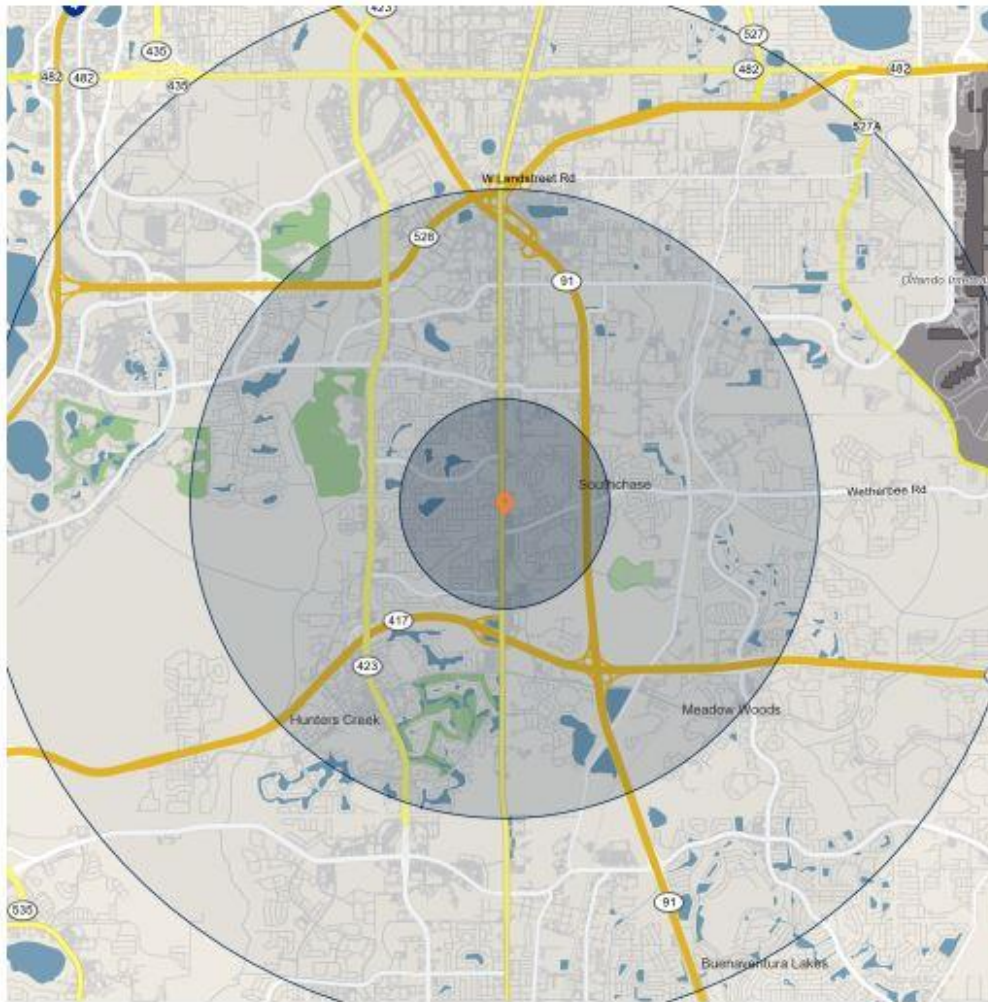


ORLANDO, FL | Orlando is a city in the U.S. state of Florida and is the county seat of Orange County. In Central Florida, it is the center of the Orlando metropolitan area, which had a population of 2,509,831, according to U.S. Census Bureau figures released in July 2017, making it the 23rd-largest metropolitan area in the United States, the sixth-largest metropolitan area in the Southern United States, and the third-largest metropolitan area in Florida behind Miami and Tampa. As of 2019, Orlando had an estimated city-proper population of 287,442, making it the 71st-largest city in the United States, the fourth-largest city in Florida, and the state's largest inland city.

The City of Orlando is nicknamed "the City Beautiful", and its symbol is the Linton E. Allen Memorial Fountain, commonly referred to as simply the "Lake Eola fountain" at Lake Eola Park. The Orlando International Airport (MCO) is the 13th-busiest airport in the United States and the 29th-busiest in the world.

Orlando is one of the most-visited cities in the world primarily driven by tourism, major events, and convention traffic; in 2018, the city drew more than 75 million visitors. The two largest and most internationally renowned tourist attractions in the Orlando area are the Walt Disney World Resort, opened by the Walt Disney Company in 1971, and located about 21 miles southwest of downtown Orlando in Bay Lake, and the Universal Orlando Resort, opened in 1990 as a major expansion of Universal Studios Florida and the only theme park inside Orlando city limits.

Except for the theme parks, most major cultural sites like the Orlando Museum of Art and Dr. Phillips Center for the Performing Arts and world-renowned nightlife, bars and clubs are located in Downtown Orlando while most attractions are located along International Drive like the Wheel at ICON Park Orlando. The city is also one of the busiest American cities for conferences and conventions; the Orange County Convention Center is the second-largest convention facility in the United States.



| | 1 Mile | 3 Miles | 5 Miles |
|---------------------------------|-----------|-----------|-----------|
| POPULATION | | | |
| 2025 Projection | 14,382 | 84,391 | 192,938 |
| 2020 Estimate | 14,064 | 78,773 | 175,329 |
| 2010 Census | 12,814 | 66,024 | 139,601 |
| 2000 Census | 11,707 | 46,818 | 98,384 |
| HOUSEHOLD INCOME | | | |
| Average | \$78,326 | \$78,520 | \$70,395 |
| Median | \$64,597 | \$63,106 | \$55,601 |
| Per Capita | \$25,155 | \$26,102 | \$24,473 |
| HOUSEHOLDS | | | |
| 2025 Projection | 4,625 | 28,019 | 66,406 |
| 2020 Estimate | 4,501 | 26,141 | 60,360 |
| 2010 Census | 4,070 | 21,917 | 47,727 |
| 2000 Census | 3,627 | 15,538 | 34,249 |
| HOUSING | | | |
| Median Home Value | \$244,545 | \$254,621 | \$234,723 |
| EMPLOYMENT | | | |
| 2020 Daytime Population | 16,060 | 82,118 | 215,948 |
| 2020 Unemployment | 2.65% | 2.76% | 3.00% |
| Average Time Traveled (Minutes) | 28 | 28 | 29 |
| EDUCATIONAL ATTAINMENT | | | |
| High School Graduate (12) | 29.87% | 26.23% | 29.02% |
| Some College (13-15) | 20.17% | 20.89% | 20.49% |
| Associate Degree Only | 11.92% | 11.04% | 11.04% |
| Bachelor's Degree Only | 16.81% | 21.13% | 18.75% |
| Graduate Degree | 7.78% | 9.83% | 7.83% |

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