

## OFFERING MEMORANDUM

Top 15% of CVS in the country



## Table of Contents

### Pricing & Financial Analysis

- Brand Overview
- Investment Overview
- Rent Schedule

### Property Description

- Birds Eye
- Tenant Map
- Aerial Map
- City Map

### Demographics

- Demographics Report
- City Overview

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## Brand Overview



## CVS Health Corporate 'Best-in-Class'

CVS Health Corporation (formerly CVS Caremark Corp.) together with its subsidiaries is one of the largest pharmacy health care providers in the United States; with integrated offerings across the entire spectrum of pharmacy care. CVS is unique among the big three retail drugstore chains (Walgreen's, Rite Aid, CVS), in that it operates its own pharmacy benefit management ("PBM"), and is thus, an integrated pharmacy health care provider. CVS's offerings include pharmacy benefit management services; mail order, retail and speciality pharmacy; disease management programs; and retail clinics. CVS operates drugstores throughout the U.S., the District of Columbia, and Puerto Rico. As of December 31, 2014, CVS operated 7,599 retail locations. Its stores sell prescription drugs, as well as other products such as nonprescription medications, health and beauty aids, and cosmetics. The company also operates the nation's largest medical care clinic, with 900 MinuteClinic® health care clinics throughout the country. MinuteClinics® are staffed by nurse practitioners and physician assistants, who utilize nationally recognized protocols to diagnose and treat minor health conditions, perform health screenings, monitor chronic conditions, and deliver vaccinations. CVS expects to grow MinuteClinic® 1,500 locations in more than 35 states by 2017.

Existing retail stores range in size from approximately 5,000 to 25,000 square feet, although most new stores range in size from approximately 8,000 to 13,000 square feet and typically include a drive-thru pharmacy. During 2014, CVS filled approximately 734 million retail prescriptions, or approximately 21% of the U.S. retail pharmacy market. As of December 31, 2014, CVS operated 900 retail health care clinics in 31 states and the District of Columbia under the MinuteClinic® name, the vast majority of which are located within CVS/pharmacy stores. There were 24 million patient visits, nationally.

The quarterly dividend increased by 38 percent in 2013 and the company recently announced another 22 percent increase for 2014, which marks the 11th consecutive year of increases.

CVS is strongly positioned to take full advantage of the upcoming 'Generic Wave' due to its integrated systems with Caremark for pharmacy benefit management ("PBM") for 2015 and beyond.

# Investment Overview

<b>Location</b>	6862 Michigan Ave, Detroit, MI 48210
<b>Asking Price</b>	\$5,431,579
<b>Cap Rate</b>	4.75%
<b>Annual NOI</b>	\$258,000
<b>Option Periods</b>	Ten (10) x Five (5) year options *5% bumps per option

<b>Lease Type</b>	Absolute NNN Lease
<b>CVS Health Corporate Guarantee</b>	
<b>Year Built</b>	2006
<b>Lease Expires</b>	15 years from COE
<b>Term Remaining</b>	15 years
<b>Debt Status</b>	Free & Clear
<b>Building Size</b>	13,013± SF
<b>Lot Size</b>	1.63 acres



# Rent Schedule

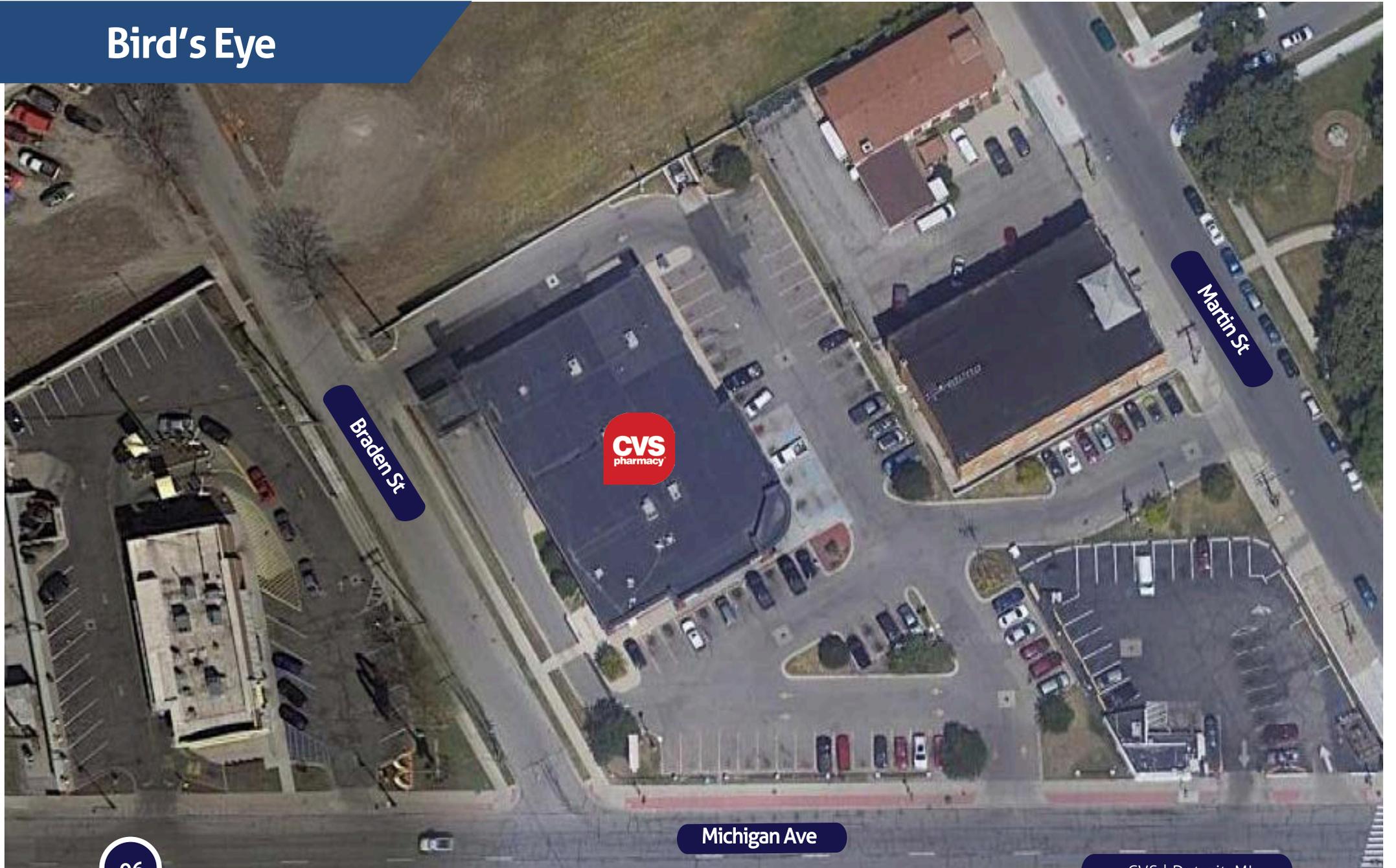
Year	Annual Rent
1 - 15	\$258,000
Option 1 (5yrs-5%)	\$270,000
Option 2 (5yrs-5%)	\$283,500
Option 3 (5yrs-5%)	\$297,675
Option 4 (5yrs-5%)	\$312,559
Option 5 (5yrs-5%)	\$328,187
Option 6 (5yrs-5%)	\$344,596
Option 7 (5yrs-5%)	\$361,826
Option 8 (5yrs-5%)	\$379,917
Option 9 (5yrs-5%)	\$398,913
Option 10 (5yrs-5%)	\$418,859

Cap Rate  
4.75%

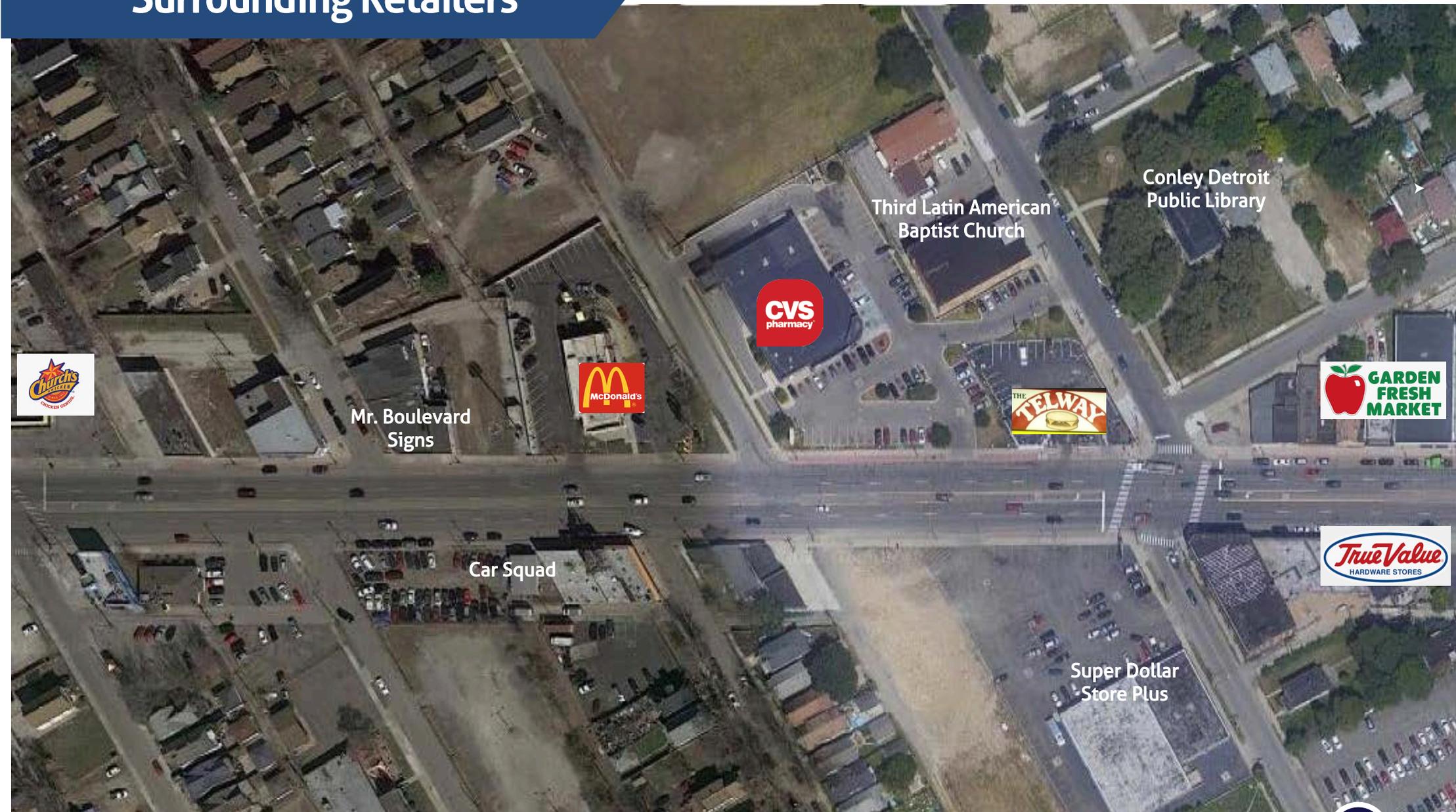
Price  
\$5,431,579

Price/sf Bldg.  
\$417.40

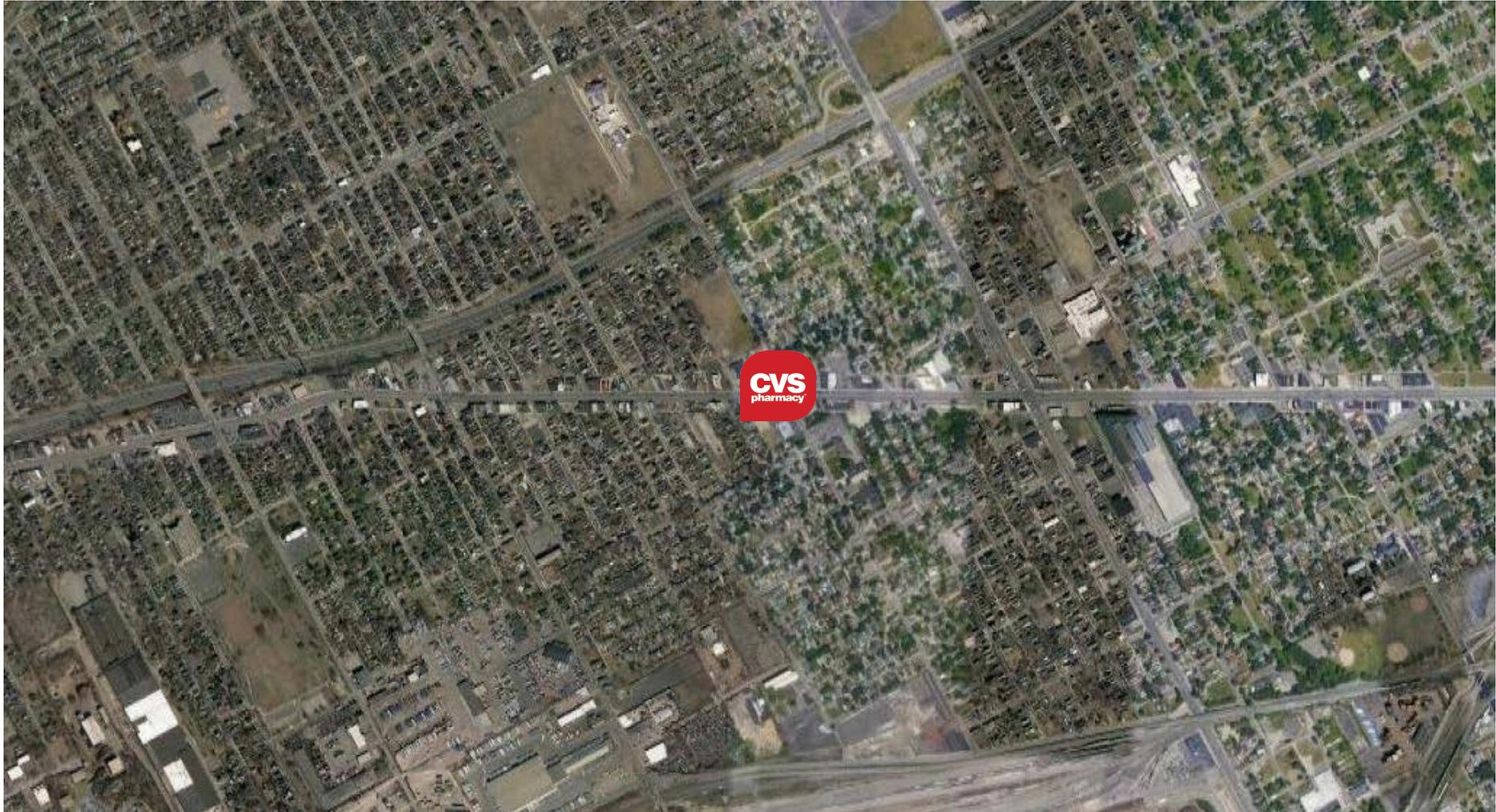
# Bird's Eye



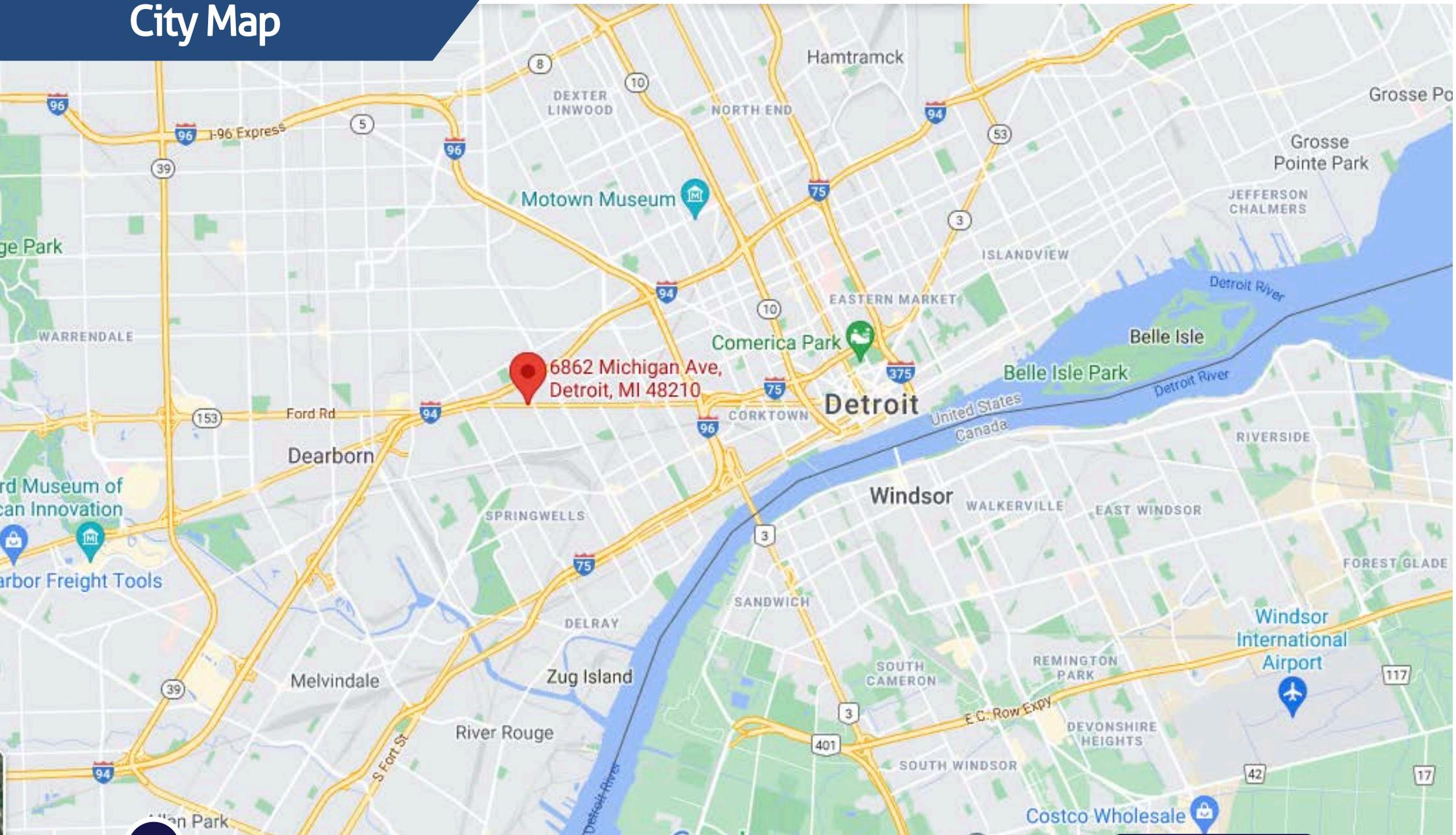
# Surrounding Retailers



# Aerial Map



# City Map





# Demographics

## Population

Total Population  
Average Age

	1 Mile	3 Mile	5 Mile
Total Population	13,142	135,869	311,343
Average Age	28.5	30.3	32.8

## Households & Income

Total Households  
Average HH Income  
Average House Value

	1 Mile	3 Mile	5 Mile
Total Households	4,096	45,702	111,280
Average HH Income	\$28,577	\$31,504	\$33,747
Average House Value	\$69,534	\$83,889	\$89,948

## City Overview

Detroit is the largest and most populous city in the U.S. state of Michigan and the largest U.S. city on the United States–Canada border. The municipality of Detroit had a 2020 population of 639,111 according to the 2020 census, making it the 27th-most populous city in the United States. The metropolitan area, known as Metro Detroit, is home to 4.3 million people, making it the second-largest in the Midwest after the Chicago metropolitan area, and 14th-largest in the United States. Regarded as a major cultural center, Detroit is known for its contributions to music and as a repository for art, architecture and design, along with its historical automotive background.

Several major corporations are based in the city, including three Fortune 500 companies. The most heavily represented sectors are manufacturing (particularly automotive), finance, technology, and health care. The most significant companies based in Detroit include General Motors, Quicken Loans, Ally Financial, Compuware, Shinola, American Axle, Little Caesars, DTE Energy, Lowe Campbell Ewald, Blue Cross Blue Shield of Michigan, and Rossetti Architects.

The city of Detroit and other public–private partnerships have attempted to catalyze the region's growth by facilitating the building and historical rehabilitation of residential high-rises in the downtown, creating a zone that offers many business tax incentives, creating recreational spaces such as the Detroit RiverWalk, Campus Martius Park, Dequindre Cut Greenway, and Green Alleys in Midtown. The city itself has cleared sections of land while retaining a number of historically significant vacant buildings in order to spur redevelopment.

# CVS | Detroit, MI

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