

ABSOLUTE NNN CVS – LONG-TERM LEASE – LOW RENT - TAX FREE STATE (TN)

CVS/pharmacy®

4400 West Stone Drive, Kingsport, TN



Actual Site

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EXECUTIVE SUMMARY

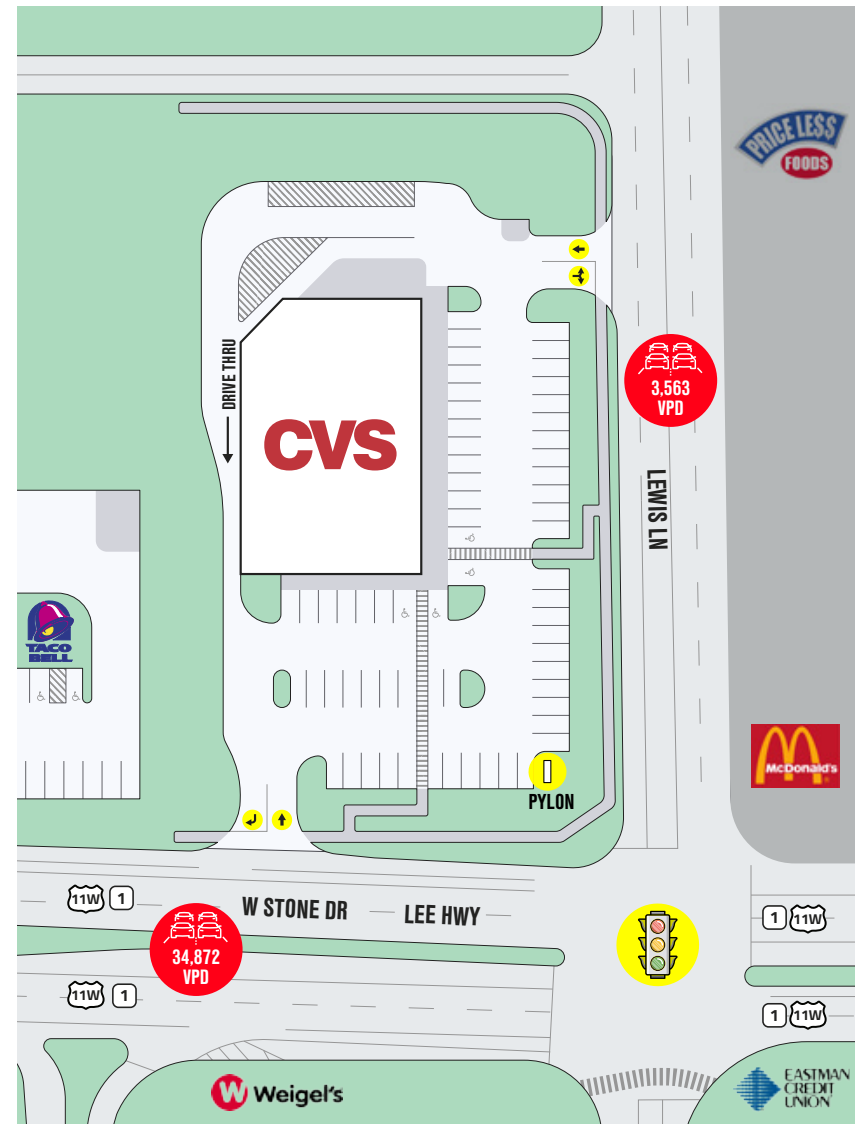
\$5,741,275	4.00%	\$229,651
PRICE	CAP	NOI

1.1 Acres	19+ years of primary term	Absolute NNN
LAND AREA	LEASE TERM REMAINING	LEASE TYPE

Bellagio Real Estate Partners, LLC is pleased to present the opportunity to acquire an investment grade credit, absolute NNN CVS asset located at 4400 W Stone Drive in Kingsport, Tennessee. This is an opportunity to acquire a **strategically positioned single-tenant asset constructed in 2015 for CVS which features exposure to over 38,400 VPD along Kingsport's primary thoroughfare – West Stone Drive. The absolute NNN asset includes over 19 years of primary term on the lease and zero landlord responsibilities.** Surrounding retailers include Walmart Supercenter, Lowe's Home Improvement, Tractor Supply, McDonald's, Taco Bell, Verizon, and a brand-new construction Weigel's gas station, among others.

Investment Highlights

- Corporate backed long-term lease with 19+ years remaining on the primary term
- Investment Grade Credit Guaranty from CVS Health Corporation (S&P: BBB)
- No Rent Holiday
- Absolute NNN lease – zero landlord responsibilities
- Excellent visibility with unmatched pylon signage positioned along major thoroughfare at corner of signalized intersection
- Constructed in 2015 – the property features a drive-thru pharmacy
- Over 49,000 residents live within a 5-mile radius of the property
- Positioned along the area's main business corridor with national retailers in the immediate area including Walmart, Lowe's Home Improvement, Tractor Supply, McDonald's, and Taco, among many other household names
- CVS is located minutes from Holston Valley Medical Center – a 345 bed hospital which recently completed "Project Platinum", a \$114 million expansion and renovation project poising the hospital for future growth. The newly renovated hospital boasts over 5,300 employees and serves as a cornerstone for the Kingsport community



MIDRANGE AERIAL



MARKET AERIAL



REGIONAL AERIAL



DRONE AERIAL



DRONE AERIAL



DRONE AERIAL



DRONE AERIAL



LEASE ABSTRACT

Tenant:	Tennessee CVS Pharmacy, L.L.C
Lease Guarantee:	CVS Health Corporation (NYSE: CVS)
Ownership Interest:	Fee-Simple
Building Size:	12,003 Square Feet (+ Drive-Thru)
Lot Size:	1.1 Acres
Rent Commencement:	August 1 st , 2015
Lease Expiration:	January 31 st , 2041
NOI:	\$229,651
Renewal Options:	Ten, 5-year options
Lease Type:	Absolute NNN
Roof and Structure:	Tenant
Taxes:	Tenant
Insurance:	Tenant
HVAC:	Tenant
Utilities:	Tenant
Tenant ROFR:	Yes; 20 days to respond



TENANT OVERVIEW



CVS Health 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 Health is pioneering a bold new approach to total health by making quality care more affordable, accessible, simple and seamless. CVS Health is community-based and locally focused, engaging consumers with the care they need when and where they need it. The Company has more than 9,900 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 prescription drug plan.

CVS Health 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. In December of 2017, CVS announced it would buy Aetna for more than \$69 billion. This acquisition would combine CVS' drugstores and pharmacy benefits manager platform with Aetna's insurance business. This merger brings together two complementary businesses with unique capabilities, the goal being to reshape the consumer health care experience, putting people at the center of health care delivery to ensure they have access to high-quality, more affordable care.

Tenant Facts

Tenant	Tennessee CVS Pharmacy, L.L.C. (dba CVS)
Company	CVS Pharmacy, Inc. (NYSE: CVS)
Number of Locations	9,900+ Locations (49 states)
Market Cap	\$111 Billion as of October 2021
S&P Credit Rating	BBB Investment Grade Credit
Employees	300,000+ Employees (Worldwide)
Company Headquarters	Woonsocket, RI
Website	www.cvshealth.com



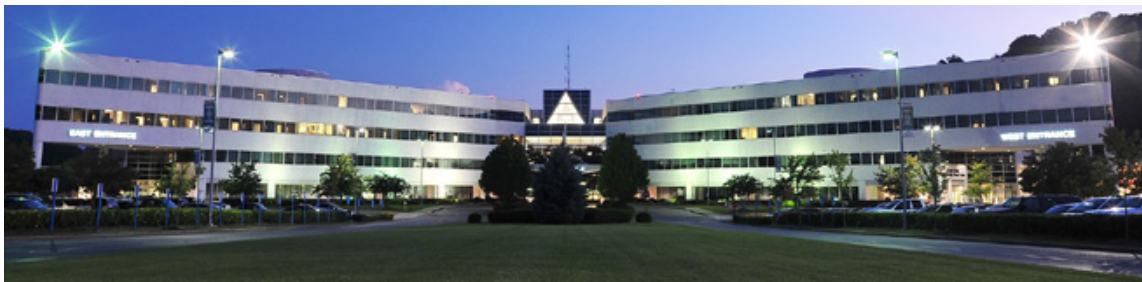
AREA OVERVIEW

The Kingsport Metro straddles the Tennessee-Kentucky border, about 100 miles northeast of Knoxville. The region is situated between Interstate 26 & 81 and the metro encompasses Hawkins, Scott, Sullivan and Washington counties featuring a population of roughly 314,000 individuals. The area is best known for its manufacturing, healthcare, and food-processing industries. Kingsport's proximity to the Cherokee National Forest and several lakes provides residents and visitors with numerous recreational activities. The area is also home to Tri-Cities Airport (TRI), served daily by Delta, American, and Allegiant Airlines.

The city's low cost of living, healthy economy, and beautiful landscape continues to attract new residents - as noted by the District's Alderman in June 2021: "Kingsport had over 700 new market-rate apartments built in a two year period and they are now all full and we need more. That caused a lot of people to take notice both in the city and on a national level that if they keep building in Kingsport, the housing keeps selling and apartments keep filling up".

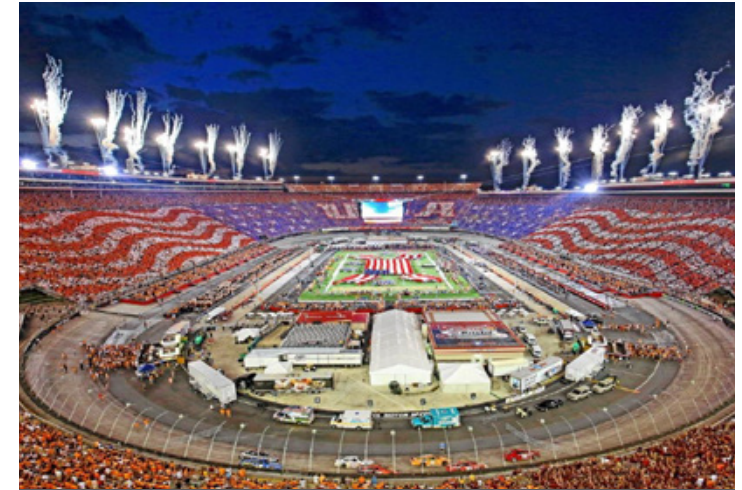


Holston Valley Medical Center (345 Beds)



Bristol Regional Medical Center (288 Beds)

Healthcare plays a major role in the local economy. Major facilities include the Holston Valley Medical Center (345 Beds), Bristol Regional Medical Center (288 Beds), and Indian Path Medical Center (148 Beds). Holston Valley Medical Center recently completed "Project Platinum" a \$114 million expansion and renovation project poising the hospital for future growth.



Speedway Motorsports Inc.'s Bristol Motor Speedway
153,000 Capacity



The Eastman Chemical Co. is the area's largest employer with 6,800 jobs. The Fortune 500 company is headquartered in Kingsport and produces a wide range of products.

AREA OVERVIEW



MAJOR EMPLOYERS

Eastman	6,800 Employees
Wellmont Health Systems	6,225 Employees
Holston Medical Group	5,300 Employees
Sullivan County Department of Education	1,650 Employees
Kingsport City Schools	1,100 Employees
Pal's Fast Food	950 Employees
CenturyLink Telecommunications	950 Employees
BAE Systems	850 Employees
Robinette Company	350 Employees
Domtar Paper	330 Employees

DEMOGRAPHICS	3 Mile	5 Mile	10 Mile
POPULATION	19,735	49,025	116,485
AVERAGE HH INCOME	\$66,042	\$57,948	\$64,693

DISCLAIMER

Bellagio Real Estate Partners, LLC ("Bellagio REP") has been retained as the exclusive broker by the owner of record (the "Owner") of 4400 West Stone Drive, Kingsport, Tennessee 37660 (the "Property") in connection with its sale as described in this Offering Memorandum.

This Offering Memorandum is solely for the use of the person or entity whose name appears herein. You are not permitted to distribute, reproduce or divulge the contents of this Offering Memorandum, either in whole or in part, without the express written consent of Bellagio REP. By accepting this Offering Memorandum, the recipient agrees not to disclose the contents hereof to any third-party, except for the recipient's professional advisors.

This Offering Memorandum is not a contract nor does it purport to provide an all-inclusive accurate summary of the physical or economic aspects of the Property, or any documents related thereto. Certain information contained in this Offering Memorandum, while believed to be true, is based on other sources, assumptions about the general economy and competition, and other factors beyond the control of Bellagio REP and Owner. For the foregoing reasons, Bellagio REP and Owner make no representations as to the accuracy or completeness of this Offering Memorandum, including, but not limited to, the budgets and projections. No such information contained in this Offering Memorandum is or shall be relied upon as a promise, representation or warranty whether as to the past or future performance. Neither Bellagio REP nor the Owner, nor any of their agents shall be held liable for any improper or incorrect use of the information described and/or contained herein and assumes no responsibility for anyone's use of the information. Although the information contained in this Offering Memorandum was produced and processed from sources believed to be reliable, no warranty, expressed or implied, is made regarding accuracy, adequacy, completeness, legality, reliability or usefulness of any information.

The contents of this Offering Memorandum should not be construed as investment, legal or tax advice. Each prospective purchaser is urged to seek independent investment, legal and tax advice concerning the consequences of purchasing the Property. No assurance can be given that existing law, general economy, competition, or other factor beyond the control of Bellagio REP and Owner will not be changed or interpreted adversely to the Property or a purchaser thereof.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors. In making a purchase decision, a potential purchaser must rely on their own examination of the Property and the terms of purchase.

Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers regarding the Property, and/or terminate discussions with any potential purchaser at any time with or without notice. Owner shall have no legal commitment or obligations to any person or entity reviewing the Offering Memorandum or making an offer to purchase the Property unless and until such offer is approved by Owner and a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any conditions to Owner's obligations hereunder have been satisfied or waived.



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