

CVS PHARMACY

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM



22700 W. 55th Terrace
Shawnee, KS 66226

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Investment Highlights

PRICE: \$8,667,121 | CAP: 5.35% | RENT: \$463,691

About the Investment

- ✓ Absolute Triple-Net (NNN) Lease with Over 13 Years of Term Remaining
- ✓ Situated on a 2.14 Acre Parcel
- ✓ Investment Grade Credit: CVS Corporate (S&P: BBB)

About the Location

- ✓ Dense Urban Infill | Walmart Supercenter, AutoZone Auto Parts, Murphy USA, Firestone, and Many More
- ✓ Affluent Suburban Community | Average Income Within a Three-Mile Radius Exceeds \$135,700
- ✓ Over 330,300 People Live Within Ten Miles of the Property | Forecasted Population Growth Over the Next Five Years in a 1, 3, 5, and 10-Mile Radii
- ✓ Strong Academic Presence | Mill Valley High School | Annual Enrollment of Over 1,300 Students
- ✓ Shawnee, KS is Part of the Kansas, City MSA | 27th largest Metro in the United States

About the Tenant / Brand

- ✓ CVS Pharmacy is the Largest Pharmacy Chain in the United States with Over 9,900 and has the Highest Prescription Revenue
- ✓ CVS Pharmacy Also Provides Healthcare Services Through its More Than 1,100 MinuteClinic Medical Clinics as well as Their Diabetes Care Centers
- ✓ CVS had 2018 Revenues of More Than \$194 Billion
- ✓ CVS Pharmacy Fills More Than 1.9 Billion Prescriptions Every Year





Financial Analysis

PRICE: \$8,667,121 | CAP: 5.35% | RENT: \$463,691

PROPERTY DESCRIPTION

Property	CVS Pharmacy
Property Address	22700 W. 55th Terrace
City, State, ZIP	Shawnee, KS 66226
Year Built / ReAugated	2008
Building Size	12,094
Lot Size	+/- 2.14 Acres
Type of Ownership	Triple-Net (NNN)

THE OFFERING

Purchase Price	\$8,667,121
CAP Rate	5.35%
Annual Rent	\$463,691

LEASE SUMMARY

Property Type	Net-Leased Drug Store
Tenant	CVS
Guarantor	CVS Corporate
Original Lease Term	25 Years
Lease Commencement	June 26, 2009
Lease Expiration	July 31, 2034
Lease Term Remaining	12.8 Years
Lease Type	Triple-Net (NNN)
Options to Renew	Ten (10), Five (5)-Year Options

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Current – July 2022	\$463,691	\$38,641	-
Aug 2022 – July 2023	\$463,691	\$38,641	-
Aug 2023 – July 2024	\$463,691	\$38,641	-
Aug 2024 – July 2025	\$463,691	\$38,641	-
Aug 2025 – July 2026	\$463,691	\$38,641	-
Aug 2026 – July 2027	\$463,691	\$38,641	-
Aug 2027 – July 2028	\$463,691	\$38,641	-
Aug 2028 – July 2029	\$463,691	\$38,641	-
Aug 2029 – July 2030	\$463,691	\$38,641	-
Aug 2030 – July 2031	\$463,691	\$38,641	-
Aug 2031 – July 2032	Final Three Years of Lease is a Free Rent Period for CVS		
Aug 2032 – July 2033			
Aug 2033 – July 2034			
Ten, Five Year Renewal Option Periods			

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for an CVS located at 22700 W. 55th Terrace in Shawnee, KS. The site consists of roughly 12,094 rentable square feet of building space on estimated 2.14-acre parcel of land. CVS has over 12.8 years remaining on a 25-year true triple-net (NNN) lease.



Concept Overview



CVS Pharmacy is a subsidiary of the American retail and Health care company CVS Health, headquartered in Woonsocket, Rhode Island. It was also known as, and originally named the Consumer Value Store and was founded in Lowell, Massachusetts, in 1963. The chain was owned by its original holding company Melville Corporation since its inception until its current parent company CVS Health was spun off into its own company in 1996. CVS Pharmacy is currently the largest pharmacy chain in the United States by number of locations (over 9,900 as of 2019) and total prescription revenue. As the retail pharmacy division of CVS Health, it ranks as the 5th largest U.S. corporation according to Fortune 500 in 2020 with revenues of more than \$256 billion. CVS/pharmacy's leading competitor Walgreens Boots Alliance is ranked 37th.



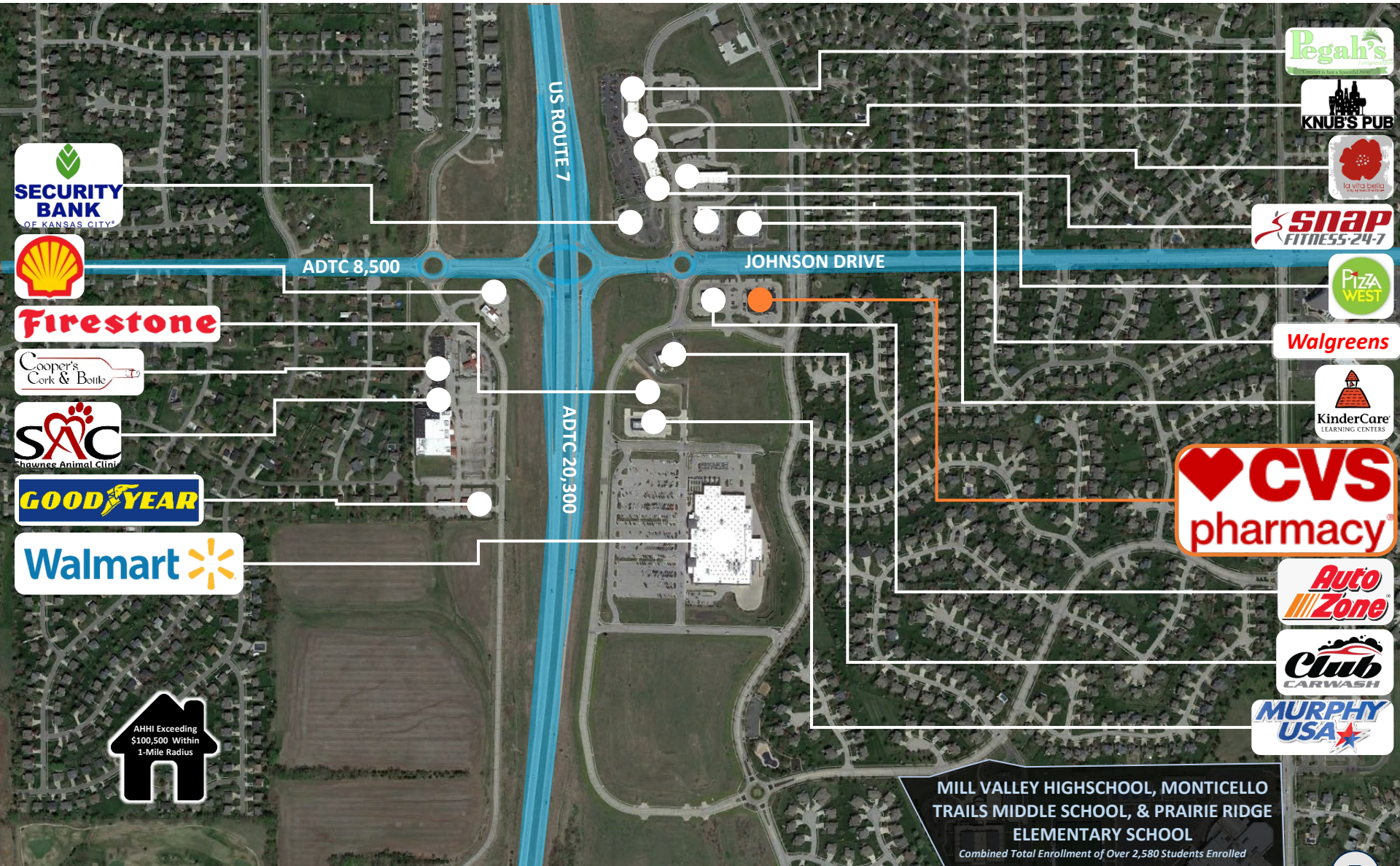
CVS sells prescription drugs and a wide assortment of general merchandise, including over-the-counter drugs, beauty products and cosmetics, film and photo finishing services, seasonal merchandise, greeting cards, and convenience foods through their CVS/pharmacy and Long Drugs retail stores and online through CVS.com. 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.



MinuteClinics are staffed by nurse practitioners and physician assistants who specialize in family health care, and are trained to diagnose, treat, and write prescriptions for minor acute illnesses such as strep throat and ear, eye, sinus, bladder, skin, and lung infections. Vaccinations, such as influenza, tetanus-pertussis, pneumovax, and Hepatitis A & B are available at all locations.



Surrounding Area



MILL VALLEY HIGH SCHOOL, MONTICELLO
TRAILS MIDDLE SCHOOL, & PRAIRIE RIDGE
ELEMENTARY SCHOOL
Combined Total Enrollment of Over 2,580 Students Enrolled

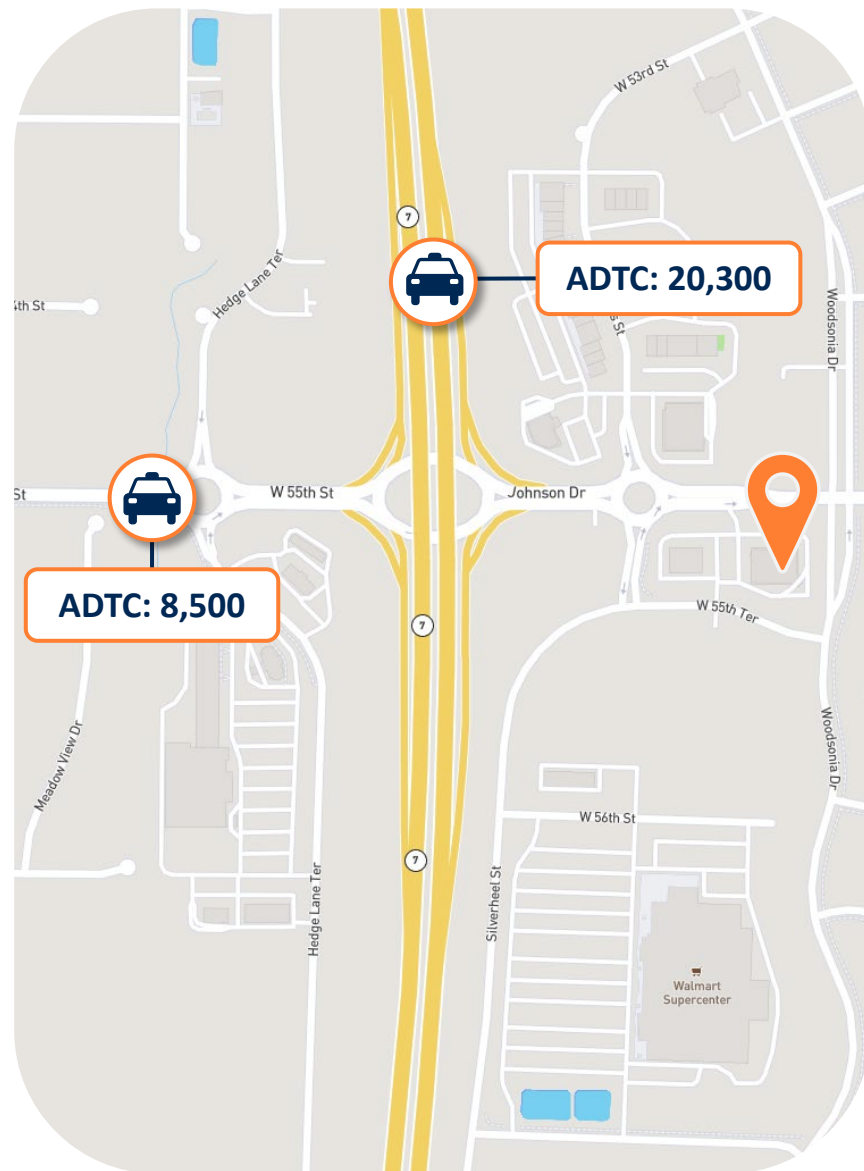


Location Overview

This CVS Pharmacy investment property is situated on West 55th Terrace, which is just off Kansas Highway 7 (K-7), which boasts an average daily traffic count exceeding 20,300 vehicles per day, respectively. Johnson Drive provides direct access from K-7 to the subject property, which brings an additional 8,500 vehicles to the immediate area daily. There are more than 51,200 individuals within a five-mile radius, and over 330,300 within a ten-mile radius. Additionally, this CVS property is situated in an affluent suburban community with an average household income of over \$135,700 within a three-mile radius.

The subject property benefits from being well-positioned in a dense urban infill consisting of national and local tenants and academic institutions all within close proximity of this property. Major national tenants in the area include: Walmart Supercenter, AutoZone Auto Parts, Murphy USA, Firestone, Walgreens, as well as many others. Furthermore, the subject CVS benefits from its proximity to several academic institutions. The most notable is Mill Valley High School, which has a total enrollment exceeding 1,300 students and is located within one- and one-half miles of the subject property. Additionally, Kansas City International Airport, which serves over 4,400,000 passengers annually, is located within a 30 minute drive to the subject property.

Kansas City is the most populous city in Missouri with a population of approximately 467,000. It is the central city of the Kansas City metropolitan area, a region spanning the Kansas–Missouri border. Kansas City is one of ten regional office cities for the United States Government. The U.S. Government is the largest employer in the Kansas City metro area, with more than 146 federal agencies maintaining a presence. The city is officially nicknamed the City of Fountains; with over 200 fountains, the city claims to have the second most in the world, just behind Rome.





Property Photos



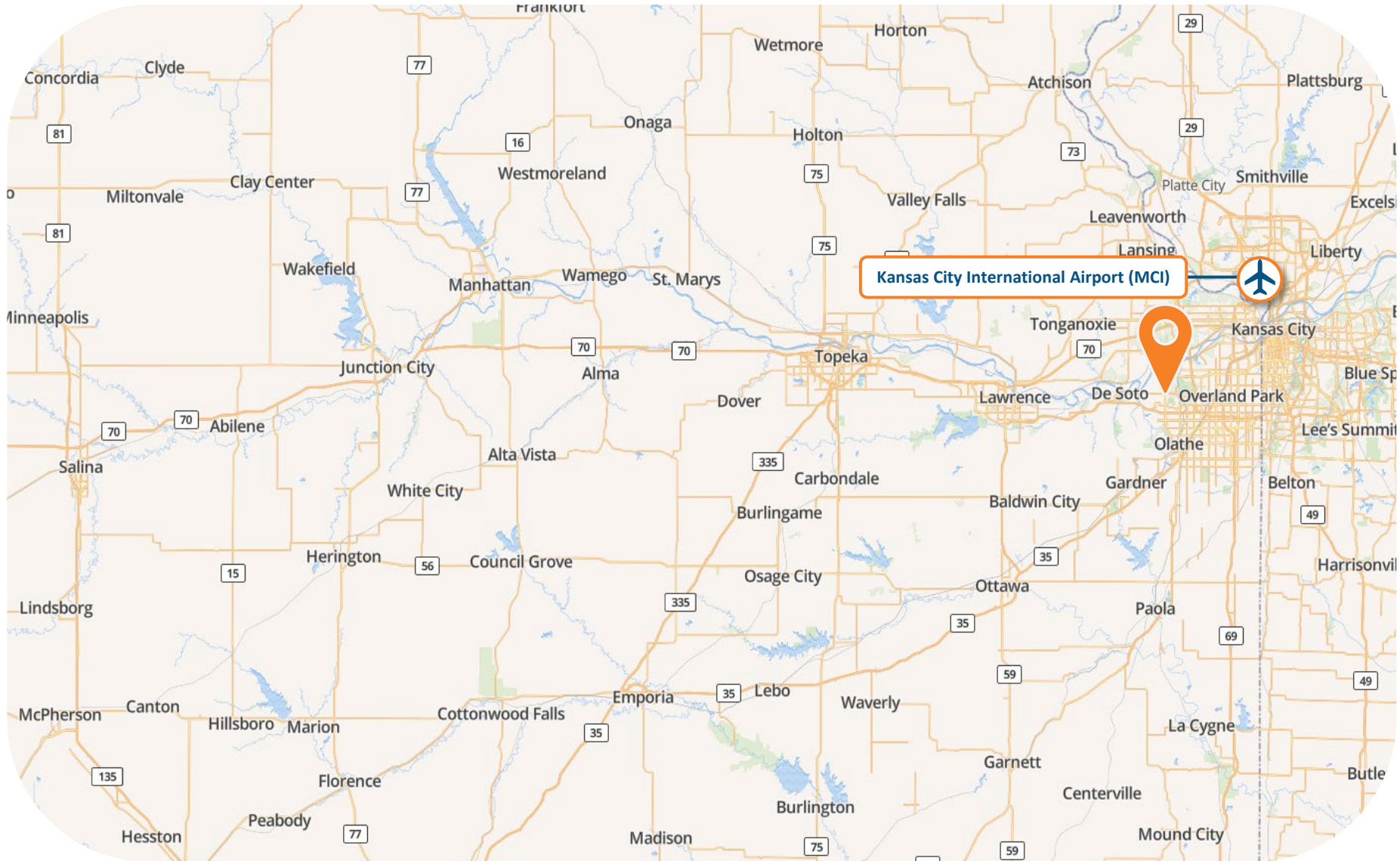


Surrounding Area Photos



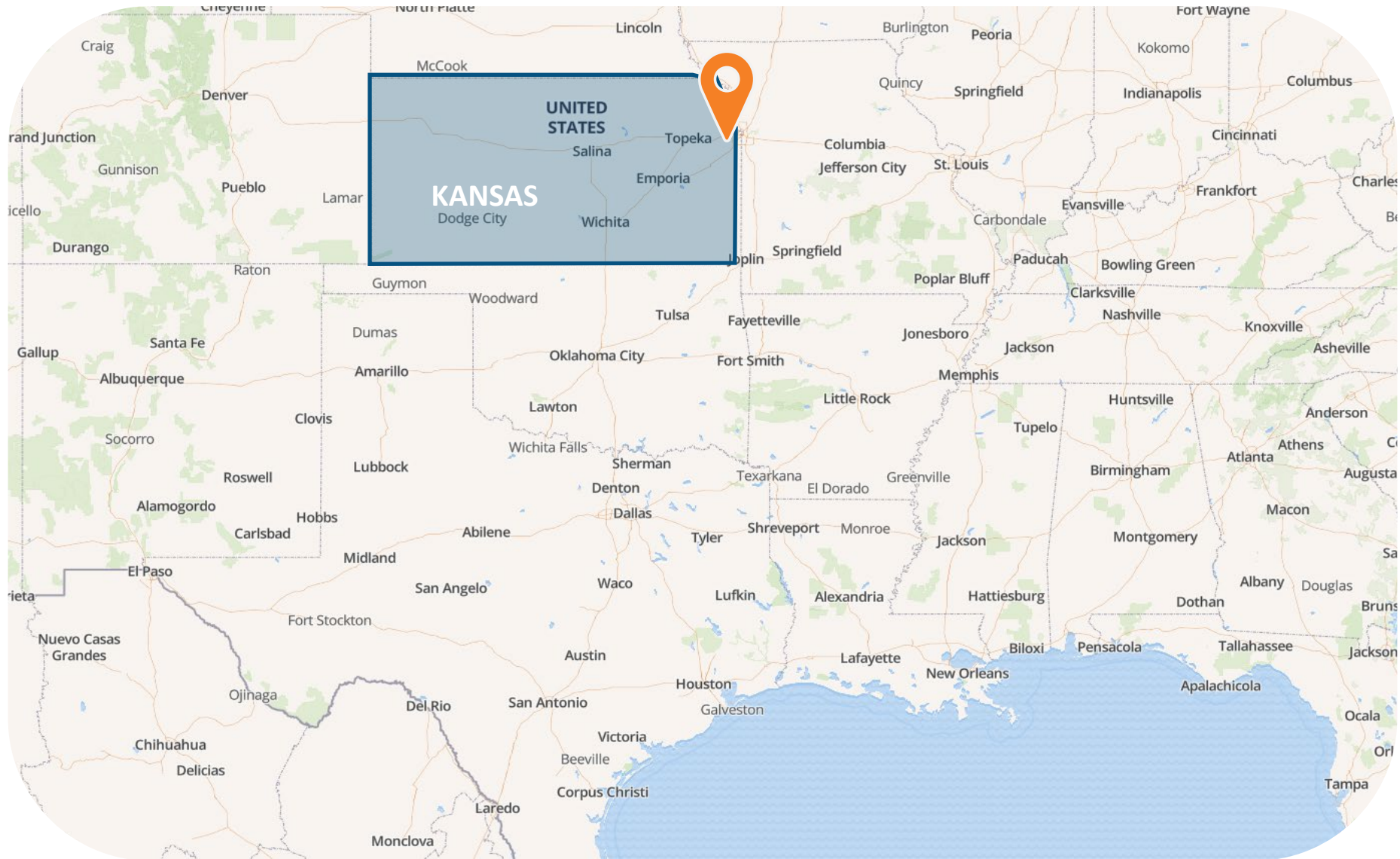


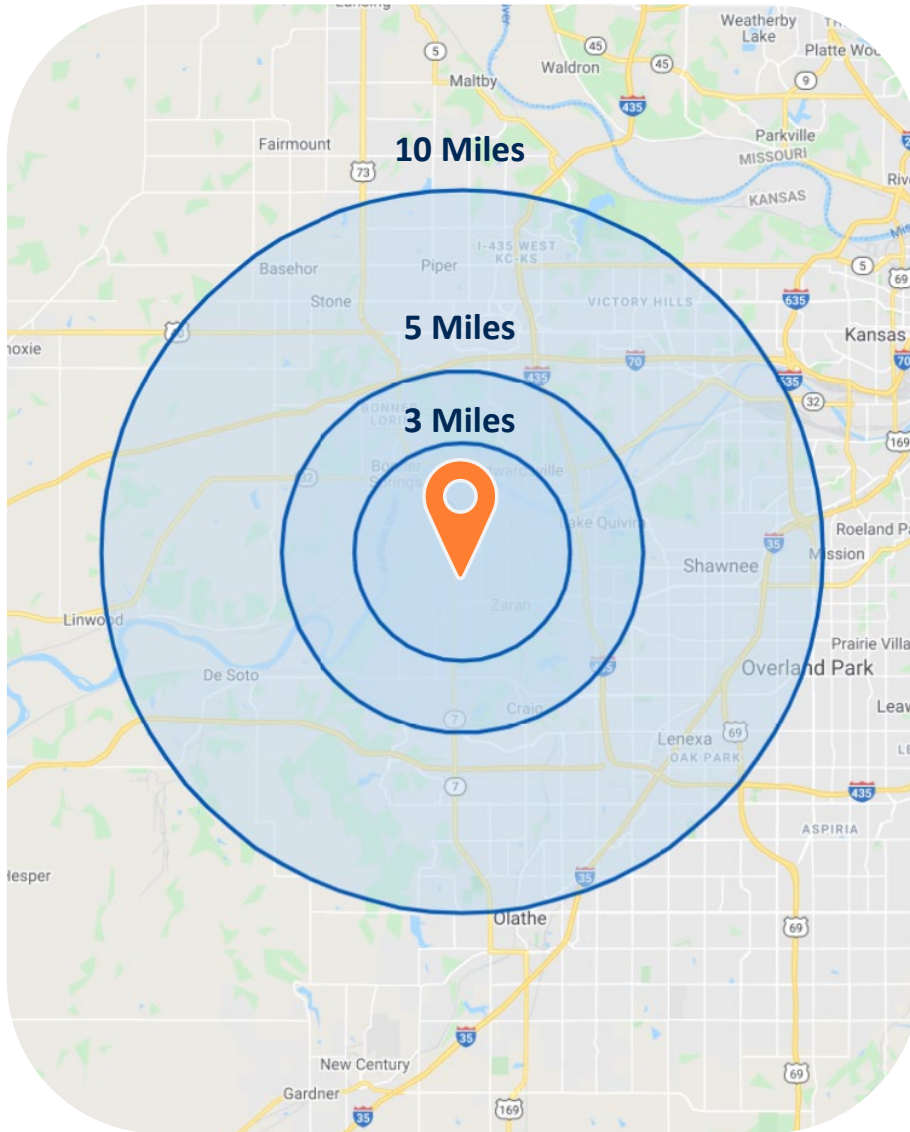
Local Map





Regional Map





	3 Mile	5 Miles	10 Miles
POPULATION TRENDS			
2010 Population	27,198	43,394	301,357
2021 Population	31,044	51,228	330,312
2026 Population Projection	32,204	53,328	340,058
Growth 2010 – 2021	1.30%	1.60%	0.90%
Growth 2020 – 2026	0.70%	0.80%	0.60%
POPULATION BY RACE (2021)			
White	27,954	45,571	275,568
Black	1,140	2,254	29,299
American Indian/Alaskan Native	152	285	2,061
Asian	1,029	1,815	13,048
Hawaiian & Pacific Islander	28	47	455
Two or More Races	741	1,255	9,882
Hispanic Origin	1,933	3,239	36,18
HOUSEHOLD TRENDS			
2010 Households	9,159	15,331	118,329
2021 Households	10,511	18,112	129,805
2026 Household Projection	10,906	18,847	133,688
Growth 2010 – 2021	1.20%	1.50%	0.80%
Growth 2020 - 2026	0.80%	0.80%	0.60%
AVERAGE HOUSEHOLD INCOME (2021)	\$135,768	\$130,879	\$100,066
MEDIAN HOUSEHOLD INCOME (2021)	\$114,594	\$107,562	\$80,333
HOUSEHOLDS BY HOUSEHOLD INCOME (2021)			
<\$25,000	\$692	\$1,461	\$14,741
\$25,000 - \$50,000	\$803	\$1,755	\$21,552
\$50,000 - \$75,000	\$1,503	\$2,530	\$24,002
\$75,000 - \$100,000	\$1,390	\$2,597	\$21,600
\$100,000 - \$125,000	\$1,486	\$2,357	\$14,926
\$125,000 - \$150,000	\$1,563	\$2,213	\$10,078
\$150,000 - \$200,000	\$1,227	\$2,119	\$11,812
\$200,000+	\$1,847	\$3,080	\$11,095



Market Overview

Kansas City, KS



Kansas City

The Kansas City metro consists of Clay, Bates, Cass, Platte, Clinton, Caldwell, Jackson, Lafayette, and Ray counties in Missouri ND Johns, Leavenworth, Linn, Franklin, Miami and Wyandotte counties in Kansas. The metro has over 2 million residents, with the largest concentrations in Jackson and Johnson counties. Kansas City, Missouri, is the largest city in the MSA and its centralized and well location in the region, makes it a prime transportation hub. Kansas City International is considered one of the most convenient and efficient airports in the nation. Additionally, the Charles B. Weaver Downtown Airport fills corporate and charter air needs. The region is strategically located at the intersection of three major interstates: I-70, I-35, and I-29. Kansas City is also one of the busiest rail hubs by tonnage in the country. The infrastructure supports a thriving transportation and logistics industry. Nearly half of all eastbound intermodal freight that enters the United States through the West Coast ports passes through Kansas City. The Kansas City area's economy is large, influential, and important in its region. The area houses many factories, manufacturing plants, an official international trade zone, and more foreign trade zone space than anywhere else in the nation

Marcus & Millichap

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KS Broker of Record
Colby Haugness
Marcus & Millichap
7400 College Blvd., Ste. 105
Overland Park, KS 66210
P: (816) 410-1010
Lic #: 00241410