

Marcus & Millichap



# OFFERING MEMORANDUM

*CVS / Pharmacy*  
1347 15<sup>th</sup> St,  
Panama City, FL 32401

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Activity ID# ZAC0310708

Broker of Record: Ryan Nee  
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**Marcus & Millichap**

OFFICES THROUGHOUT THE U.S. AND CANADA  
marcusmillichap.com





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SECTION 1

# Executive Summary

OFFERING SUMMARY

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INVESTMENT HIGHLIGHTS

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ABOUT THE TENANT

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# OFFERING SUMMARY



Listing Price  
**\$3,569,230**



Current Cap Rate  
**6.50%**

## FINANCIAL

Listing Price	\$3,569,230
NOI	\$231,720
Cap Rate	6.50%
Price/SF	\$318.68

## OPERATIONAL

Rentable SF	11,200 SF
Lot Size	1.67 Acres
Year Built/Renovated	1997



# CVS Pharmacy | Income Tax Free State

1347 15<sup>th</sup> St, Panama City, FL 32401

## **INVESTMENT OVERVIEW**

Marcus & Millichap is pleased to present this exclusive listing of a freestanding CVS located at 1347 15th Street in Panama City, FL. The property was built in 1997 and consists of approximately 11,200 rentable square feet of 1.67 acres of land. The subject property has been a CVS since it opened for business in 1997. CVS Pharmacy is currently in their first of four option periods, that commenced on October 11, 2017, with the current base rent at \$231,720.

## **INVESTMENT HIGHLIGHTS**

- Absolute Triple-Net Lease with Zero Landlord Responsibilities
- 0.86 Years remaining on an initial term
- Three Additional Five-Year Options
- Corporate Guarantee from CVS
- Located On a Hard-Cornered, Lighted Intersection

# CVS Pharmacy | Income Tax Free State

## ABOUT THE TENANT

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 2018) and total prescription revenue. As the retail pharmacy division of CVS Health, it ranks as the 7th largest U.S. corporation according to Fortune 500 in 2018 with revenues of more than \$194 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.

- CVS Pharmacy is the Largest Pharmacy Chain in the United States with Over 9,900 locations 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

## General Information

Founded: 1963

Website: <https://www.cvs.com/>

Headquarters: Woonsocket, RI

Number of Locations: 9,967

SECTION 2

# Property Information

AERIAL MAP

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PROPERTY PHOTOS





Publix  
Applebee's  
PAPA JOHN'S  
tropical smoothie CAFE  
Wendy's

Walmart  
HomeGoods  
BIG LOTS!  
T.J. maxx  
Bath & Body Works



Panama City Mall



231



DOLLAR GENERAL

AADT 34,500+

AADT 13,100+

AADT 33,000+



# PROPERTY PHOTOS //





SECTION 3

# Financial Analysis

PRICING DETAILS

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# Property Summary

## THE OFFERING

Property	CVS Pharmacy
Property Address	1347 15 <sup>th</sup> St, Panama City, FL 32401
Price	\$3,569,230
Capitalization Rate	6.50%
Price/SF	\$318.68

## PROPERTY DESCRIPTION

Year Built / Renovated	1997
Gross Leasable Area	11,200 SF
Zoning	Commercial
Type of Ownership	Fee Simple
Lot Size	1.67 Acres

## LEASE SUMMARY

Property Subtype	Net Leased Drug Store
Tenant	CVS/Pharmacy
Guarantor	Corporate Guarantee
Lease Type	Absolute NNN
Lease Commencement	October 11, 1997
Lease Expiration	October 20, 2022
Lease Term	20
Term Remaining on Lease (Years)	0.86
Renewable Options	Three, Five-Year Options
Landlord Responsibility	None
Tenant Responsibility	Taxes, Insurance and Maintenance
Right of First Refusal/Offer	No

## ANNUALIZED OPERATING INFORMATION

### INCOME

Net Operating Income	\$231,720
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### RENT SCHEDULE

YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$231,720	\$19,310	\$20.69	6.50%
Option 2	\$237,174	\$19,765	\$21.18	6.65%
Option 3	\$242,628	\$20,219	\$21.66	6.80%
Option 4	\$248,082	\$20,674	\$22.15	6.95%



SECTION 4

# Market Overview

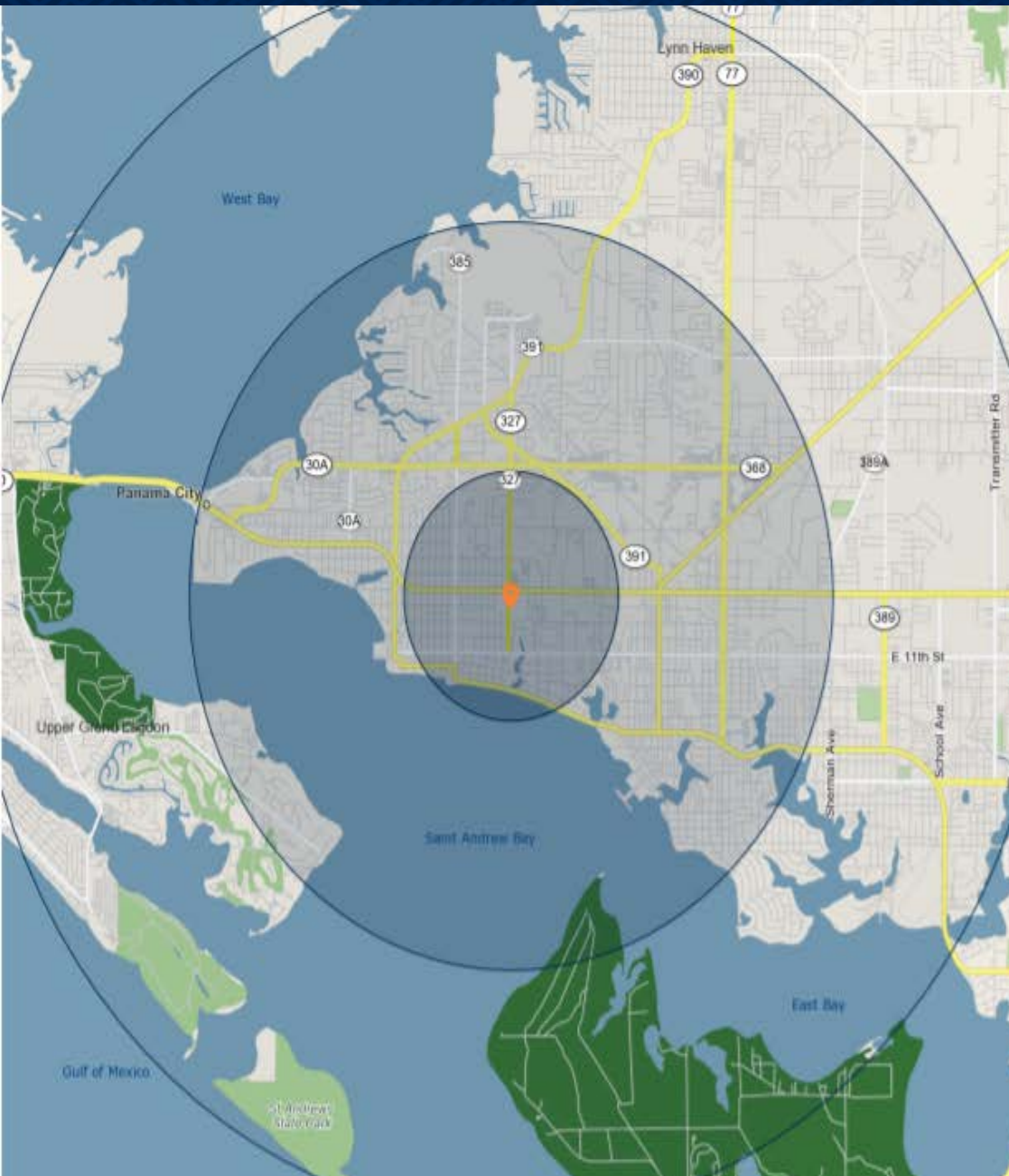
DEMOGRAPHICS

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MARKET OVERVIEW

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**POPULATION**

	<b>1 Mile</b>	<b>3 Miles</b>	<b>5 Miles</b>
2026 Projection	7,052	31,170	73,392
2021 Estimate	7,248	31,420	73,202
2010 Census	7,915	33,137	75,653
2000 Census	7,302	33,673	70,620

**HOUSEHOLD INCOME**

Average	\$59,897	\$71,536	\$75,512
Median	\$41,794	\$51,795	\$57,034
Per Capita	\$26,392	\$31,749	\$31,849

**HOUSEHOLDS**

2026 Projection	3,063	13,728	30,911
2021 Estimate	3,122	13,748	30,622
2010 Census	3,387	14,459	31,490
2000 Census	3,161	14,320	29,089

**HOUSING**

Median Home Value	\$147,624	\$189,325	\$203,903
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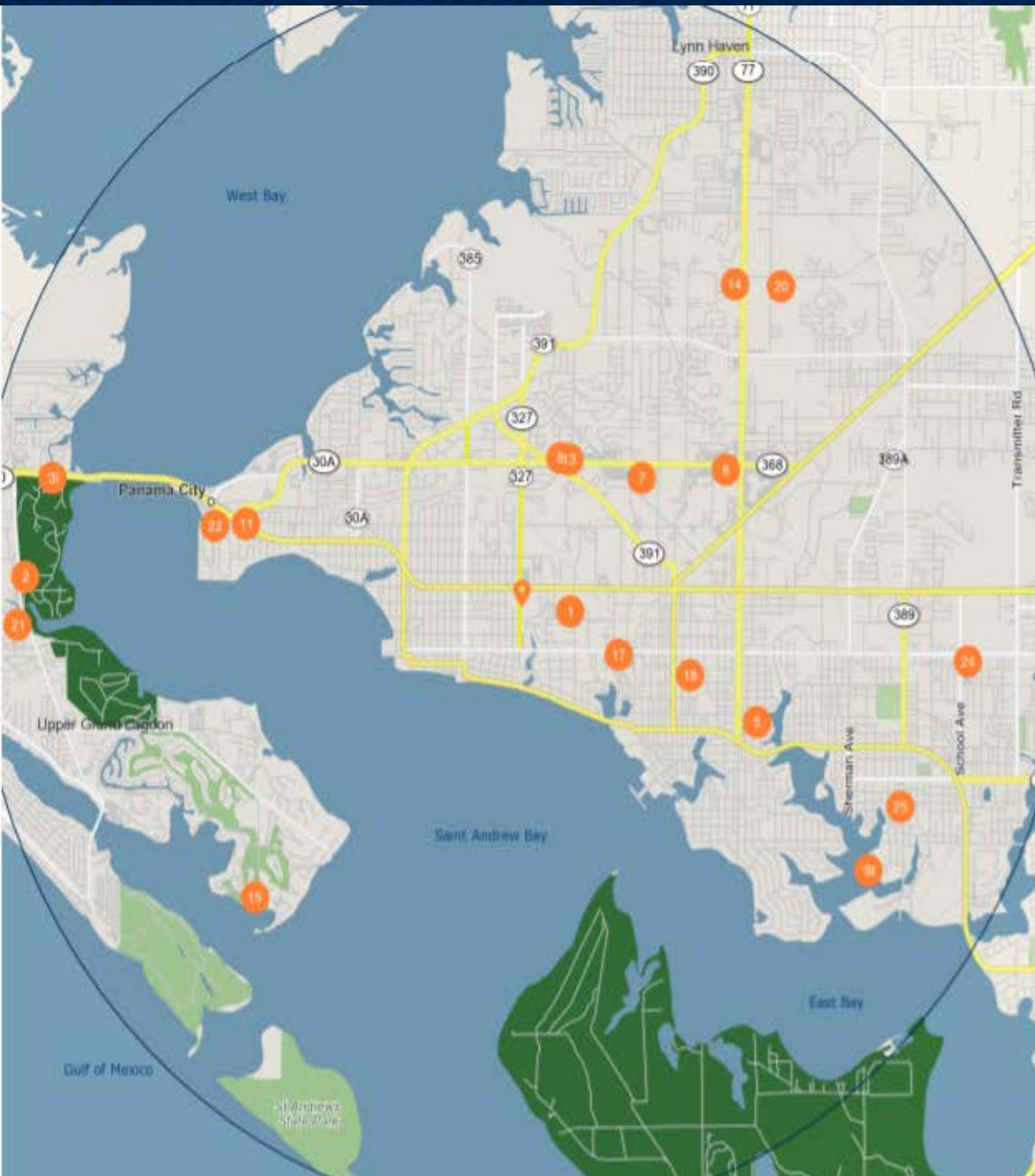
**EMPLOYMENT**

2021 Daytime Population	11,323	54,045	96,362
2021 Unemployment	6.10%	5.29%	4.75%
Average Time Traveled (Minutes)	19	20	21

**EDUCATIONAL ATTAINMENT**

High School Graduate (12)	31.76%	31.29%	30.19%
Some College (13-15)	28.44%	24.45%	24.06%
Associate Degree Only	9.68%	9.55%	9.88%
Bachelor's Degree Only	12.92%	16.26%	17.33%
Graduate Degree	4.49%	7.80%	8.11%





### Major Employers

### Employees

1	Bay District School Board	5,000
2	United States Dept of Navy	2,000
3	United States Dept of Navy-Coastal System Station	1,424
4	United States Dept of Navy-Naval Srfc Wrfare Ctr Pnama Cy	1,200
5	Bay County Health System LLC-Bay Medical Center	1,000
6	Cracker Barrel Old Country Sto	934
7	Gulf Coast Medical Center-Bay Hospital	850
8	Whitney Hancock Bank	500
9	Eastern Shipbuilding Group Inc	450
10	Bay Fabrication Inc	365
11	Gulf Coast State College	310
12	Eastern Shipyards Inc	300
13	Resort Hospitality Entps Ltd-Howard Johnson	300
14	County of Bay-Bay County Sheriffs Office	300
15	Flautt-Cornerstone Bay Pt LLC-Wyndham Bay Point Resort	300
16	United States Postal Service-US Post Office	282
17	US Dept of the Air Force-Tyndall Air Force Base	254
18	Air Force US Dept of	254
19	Gulf Coast State College	250
20	Bay District Schools-A Crawford Mosley High School	250
21	Booz Allen Hamilton Inc	222
22	Berg Europepe Holding Corp	210
23	Berg Pipe Panama City Corp	210
24	Bay District Schools-Rutherford High School	200
25	Bay District Schools-Margaret K Lewis In Millville	200



# About Panama City

*Situated in the geographic center or Northwest Florida, Panama City is the largest city between Pensacola and Tallahassee and the seat of Bay County. As a hotspot for travelers, Panama City is one of the state's largest spring break destinations with Andrew's State Park voted one of the top five beaches in the country. As a substantial tourist-oriented infrastructure, this city includes amusement parks, white sand beaches, and endless activities for people of any age. Pier Park, directly across from Russell-Fields Pier, more commonly known as City Pier, is a shopping, dining, and entertainment complex, with a tourist-oriented twist. Shopping options range from beach-themed apparel shops to high-end chain and department stores. Also on-site is the Pier Park Amusements, which features a variety of things to do, including rides and an IMAX theater.*



*For more than five decades, Signal Hill Golf Course has been a favorite destination for savvy and value-minded golfers interested in playing a great course without spending an arm and a leg. Signal Hill is located on Thomas Drive in Panama City and is known for its well-kept fairways and greens, and nice clubhouse and restaurant. The 18-hole, par 71 course is a bit shorter than most at just over 5,600 yards, which means it's appropriate for players of most ages and skill levels but still long enough to challenge seasoned players.*

*As one of the country's most popular tourist destinations, Panama City*



SECTION 5

# About The Team

ANDREW JAWORSKI

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LOU TIBOLLA

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TAREK CHBEIR



## ***About The Team***



**Lou Tibolla**

**Associate**

Lou Tibolla is a Florida state licensed investment associate with over 30 years of experience in real estate. Born and raised in New Jersey, Lou prides himself on creating long-lasting client relationships using his extensive market knowledge. Focused exclusively on retail & net leased in the firm's Orlando office, Lou dedicates his time to ensuring essential information is provided to produce the optimal outcome for his client and their portfolio.

As a seasoned real estate professional, Lou's success was built on years of unrelenting work on the behalf of his clients with a focus on providing quality services to not only build but maintain those relationships. His tenacity and passion for real estate is directly translated into his work and will continue to do so as his career progresses.



**Andrew Jaworski**

**Senior Associate**

Hailing from New York State, Andrew Jaworski remains one of the most aggressive brokers in the Orlando Office, focusing strictly on retail and net-leased properties. The majority of his time is dedicated towards assisting franchisees and corporations creatively structure sale-leaseback transactions as a means of helping them expand their footprint. Andrew began his career with Marcus & Millichap as an intern during his final year at Rollins College while pursuing his Master's in Healthcare Administration.

Throughout this time, Andrew began studying the net-leased marketplace and growth trends throughout the South-Eastern United States, specifically quick-service restaurants (QSR's), pharmacies, automotive retail, and banks. Upon graduation, he expanded his research to other major counties throughout Florida. He has since expanded his reach, spanning back to his roots in New York where he travels frequently, building relationships with NNN buyers, sellers, and developers.



**Tarek Chbeir**

**Associate**

Tarek Chbeir is a Single and Multi-tenant Retail Investment specialist in the firm's Orlando office. Focusing strictly on Single and Multi-tenant retail properties, Tarek exclusively represents property owners throughout the Florida region, providing clients with professional, responsive, and attentive advisory services through active research, investment sales, and updates through Marcus and Millichap Capital corporation.

Tarek has years of experience in the real estate industry, and prides himself in providing each and every client with a consistent quality service through Marcus and Millichap. Surpassing expectations and achieving the desired result is our primary motivation.

Marcus & Millichap

***EXCLUSIVE NET LEASE OFFERING***

**CVS**

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