



CVS
pharmacy[®]

1701 Independence Blvd | Virginia Beach, VA

OFFERING MEMORANDUM

MATTHEWS[™]
REAL ESTATE INVESTMENT SERVICES

EXCLUSIVELY LISTED BY

CHAD KURZ

EXECUTIVE VICE PRESIDENT

DIR: 949.662.2252

MOB: 562.480.2937

CHAD.KURZ@MATTHEWS.COM

LIC # 01911198 (CA)

PRESTON SCHWARTZ

ASSOCIATE

DIR: 972.533.2144

MOB: 972.533.2144

PRESTON.SCHWARTZ@MATTHEWS.COM

LIC # 761511 (TX)

KEVIN PUDER

SENIOR ASSOCIATE

DIR: 949.777.5987

MOB: 562.841.1789

KEVIN.PUDER@MATTHEWS.COM

LIC # 01949749 (CA)

KYLE MATTHEWS

BROKER OF RECORD

LIC # 225225982 (VA)

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES





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AREA OVERVIEW

EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS



Credit Tenant: CVS offers a Corporate Guaranty with an Investment Grade BBB+ credit rating by Standard & Poor's and a market cap of ±\$135B. (NASDAQ: WBA)



Essential Retailer: Amidst the global pandemic, CVS was deemed an essential retailer and has continued to provide valuable goods and services throughout the pandemic. CVS not only stayed open, but they paid their rent in a timely manner throughout the pandemic. Currently, CVS offers Covid-19 vaccines and test kits to customers.



Bondable-like Lease: This property operates under an absolute NNN lease, providing extremely passive ownership to investors. In addition to paying rent, they also cover insurance, real estate taxes, and common area maintenance, repairs, and replacements.



Long Lease Term: Nearly 13 years remaining on the original lease ending in April 2034, with Ten (10), Five (5) year options.



Rare Rent Increases: This site offers its landlord attractive 3% increases every five-years to provide a hedge against inflation, equity preservation in the property, and increases in net cash flow.



Strategic Location: Site is strategically located less than a mile from Shelton Park Elementary School, Hermitage Elementary School, and Thoroughgood Elementary School. These three schools contain over 1,700 students combined.



Strong Demographics: There are more than 176,000 people in a 5-mile radius with an average household income of \$90,671.



Excellent Visibility: The site sits on the highly trafficked Independence Blvd., which sees approximately 38,000 vehicles per day.



CVS
pharmacy

DRIVE-THRU PHARMACY

1701

CVS/pharmacy

ENTER
→

FINANCIAL OVERVIEW



\$10,947,280

LIST PRICE



\$547,364*

NOI



5.00%

CAP RATE

BUILDING INFO

Address	1701 Independence Blvd Virginia Beach, VA 23455
Year Built	2009
GLA of Building	±13,225 SF

**Price is based off of future rent bump. Seller to credit Buyer the difference in rent at Closing.*

TENANT SUMMARY

Tenant Name	CVS
Type of Ownership	Fee Simple
Lease Guarantor	CVS Caremark Corporation
Lease Type	Absolute NNN
Lease Term	25 years
Lease Commencement Date	8/13/2009
Lease Expiration Date	1/31/2035
Term Remaining on Lease	±13 years
Rental Increases	3% increases every 5 years
Option Periods	(10) - 5 year options
Roof	Tenant
Structure	Tenant
Management	Tenant
Maintenance	Tenant
Insurance	Tenant
HVAC	Tenant
Utilities	Tenant

ANNUALIZED OPERATING DATA

Lease Year	Annual Rent	Monthly Rent	Cap Rate
Current - 1/31/2025	\$531,421	\$44,285	-
2/1/2025 - 1/31/2029	\$547,364	\$45,614	5.00%
2/1/2029 - 1/31/2035	\$563,784	\$46,982	5.15%
Option 1 2/1/2035 - 1/31/2040	\$580,698	\$48,392	5.30%
Option 2 2/1/2040 - 1/31/2045	\$598,119	\$49,843	5.46%
Option 3-10	FMV		

DEBT QUOTE

Please contact a Matthews™ Capital Markets agent for financing options:

Kevin Kern
kevin.kern@matthews.com



"CONVENIENCE, VALUE, AND SERVICE"

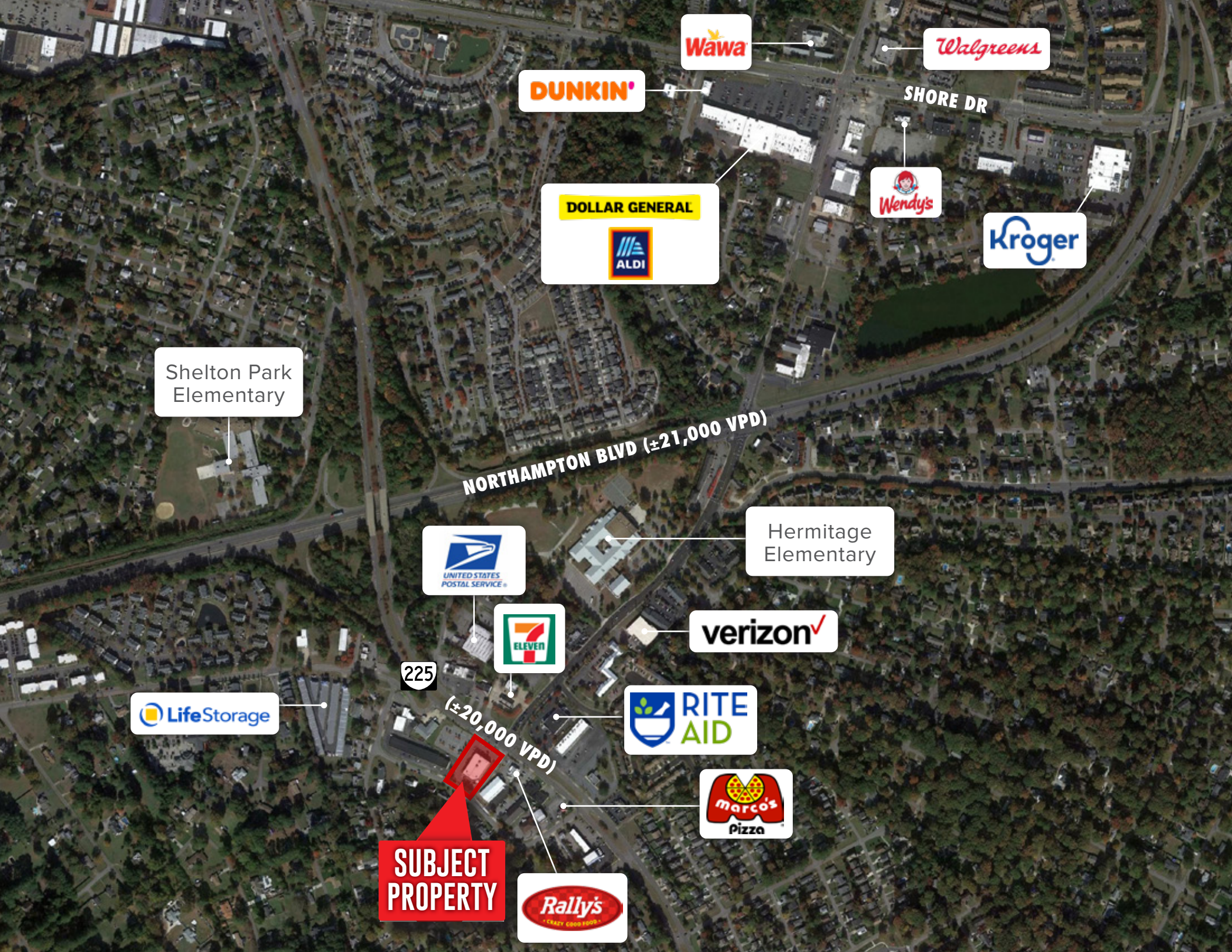
±9,900
LOCATIONS

±295,000
EMPLOYEES

±268.7B
REVENUE

CVS Pharmacy, Inc. is an American retail corporation. A subsidiary of CVS Health, it is headquartered in Woonsocket, Rhode Island. 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 Longs 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 or outside CVS stores. Its parent company, CVS Health is ranked 4th on the Fortune 500 list and 7th on the Fortune Global 500 list.





Wawa

Walgreens

DUNKIN'

SHORE DR

DOLLAR GENERAL

Wendy's

Kroger



Shelton Park Elementary

NORTHAMPTON BLVD (±21,000 VPD)



Hermitage Elementary



verizon

LifeStorage

225

(±20,000 VPD)



SUBJECT PROPERTY





VIRGINIA BEACH, VA

Virginia Beach is an independent city located on the southeastern coast of the Commonwealth of Virginia. Although mostly suburban in character, it is the most populous city in the state of Virginia and the 5th largest city in the Mid-Atlantic. Located on the Atlantic Ocean at the mouth of the Chesapeake Bay, Virginia Beach is the largest city in the Hampton Roads metropolitan area. This area, known as “America’s First Region,” includes the cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, and Suffolk.

Virginia Beach is a resort city with miles of beaches and hundreds of hotels, motels, and restaurants along its oceanfront. Yearly, the city hosts the East Coast Surfing Championships and the North American Sand Soccer Championship. The area is home to several state parks, protected beach areas, military bases, a number of large corporations, Virginia Wesleyan University and Regent University, and numerous historic sites.

DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2022 Estimate	9,988	67,699	176,595
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2022 Estimate	3,793	26,533	70,559
HH INCOME	1 - MILE	3 - MILE	5 - MILE
2022 Est Avg HH Income	\$98,261	\$95,661	\$90,671

ECONOMY & TOURISM

Virginia Beach is composed of a variety of industries including national and international corporate headquarters, advanced manufacturers, defense contractors and locally owned businesses. 20 internationally based firms have their US or North American headquarters in Virginia Beach including companies like Stihl, Busch Vacuum Solutions, IMS Gear, and Sanjo Corte Fino. Other major companies headquartered in Virginia Beach include Amerigroup, the Christian Broadcasting Network, and Operation Blessing International.

Tourism produces a large share of Virginia Beach's economy. The area has an estimated \$857 million spent in tourism related industries. Nearly 14,900 jobs cater to the 2.75 million visitors of the beach destination annually. The city has a convention center for large group meetings and events. Hotels not only line the oceanfront, but also cluster around Virginia Beach's town center and other parts of the city. Restaurants and entertainment industries also directly benefit from the area's tourism.

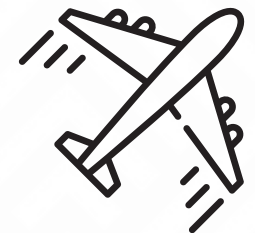


LONGEST PLEASURE BEACH
IN THE WORLD

- GUINNESS BOOK OF RECORDS

MOST POPULATED CITY
IN VIRGINIA

- US CENSUS BUREAU



\$857M

ANNUAL TOURISM REVENUE



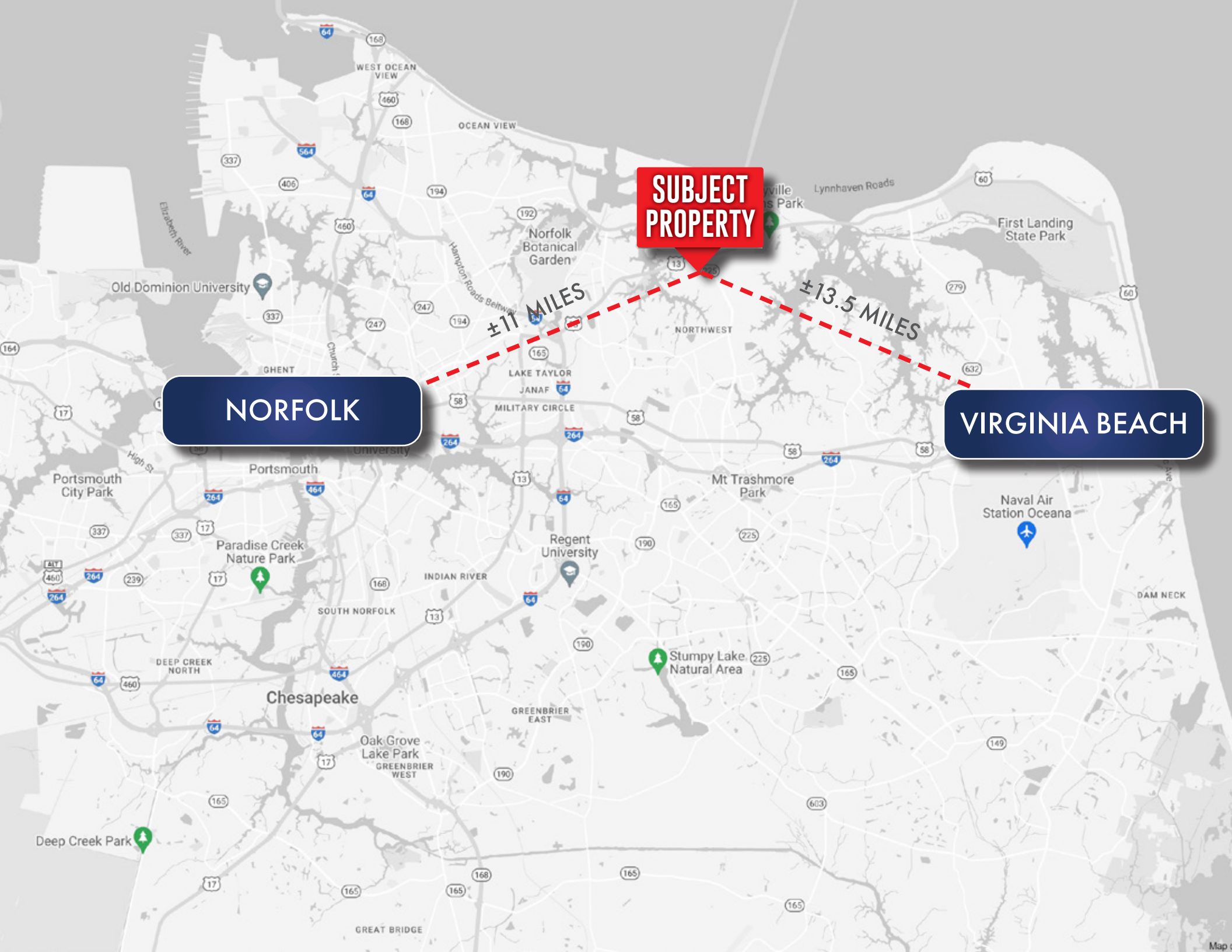
±14,900

TOURISM INDUSTRY JOBS



2.75M

VISITORS ANNUALLY



**SUBJECT
PROPERTY**

±11 MILES

±13.5 MILES

NORFOLK

VIRGINIA BEACH

Map labels include: WEST OCEAN VIEW, OCEAN VIEW, Elizabeth River, Old Dominion University, GHENT, Portsmouth, Paradise Creek Nature Park, DEEP CREEK NORTH, Deep Creek Park, Chesapeake, Oak Grove Lake Park, GREENBRIER WEST, GREENBRIER EAST, Regent University, Mt Trashmore Park, Naval Air Station Oceana, DAM NECK, Stumpy Lake Natural Area, Norfolk Botanical Garden, Lynnhaven Roads, First Landing State Park, and various highway markers (64, 168, 460, 337, 17, 264, 13, 58, 190, 165, 225, 603, 149, 60).

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **CVS Pharmacy** located at **1701 Independence Blvd, Virginia Beach, VA 23455** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Matthews Real Estate Investment Services is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee in the Offering Memorandum. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of Matthews Real Estate Investment Services.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



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