



INTERACTIVE OM



♥ **CVS** pharmacy®

11022 HWY 49 | GULFPORT, MS 39502

OFFERING MEMORANDUM



## TABLE OF CONTENTS

|    |                    |
|----|--------------------|
| 03 | EXECUTIVE OVERVIEW |
| 07 | FINANCIAL OVERVIEW |
| 09 | AREA OVERVIEW      |
| 12 | TENANT OVERVIEW    |

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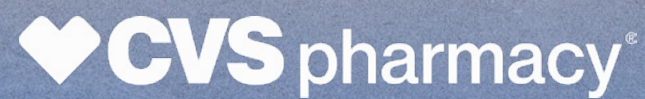
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SECTION 1

# EXECUTIVE OVERVIEW



# EXECUTIVE OVERVIEW

## INVESTMENT HIGHLIGHTS

- **Hospital Synergy:** Located less than a mile away is the 130-bed, acute care facility known as the Singing River Gulfport Hospital System. It offers a wide range of services including: Emergency Room – Level III Trauma Center, Level II NICU, Lab and Radiology Services, and Medical & Surgical Inpatient Services Program in addition to the standard hospital departments such as cardiology, OB/GYN, orthopedics, etc. Such close proximity allows CVS customers coming from the hospital to conveniently pick up their prescriptions.
- **Two Recent Extensions:** CVS extended the lease prior to the COVID Pandemic, demonstrating their commitment to the location, and even more favorably, CVS just agreed to extend the lease out to 10 years, suggesting a positive outlook on this location.
- **Aetna CVS Health \$69 Billion Merger:** In 2018, Aetna, an industry-leading managed health care company that sells traditional and consumer directed health care insurance and related services, merged with CVS, making it one of the largest healthcare giants in the country with a current market cap of \$128 Billion.
- **Absolute NNN:** CVS is on an absolute NNN lease where they are responsible for paying maintenance, taxes, and insurance, offering investors a passive investment backed by a strong corporation.
- **Low Rent per Square Foot:** Many of the 20-year extension CVS deals have rents of around \$20/SF or below, which means that in recent years, corporate has been comfortable at those rental rates. At this location, CVS is paying below this \$20/SF rate at \$16.46/SF.
- **Investment Grade Credit Guarantee:** CVS Health Corporation boasts BBB investment grade credit by S&P and has a market valuation of \$134 billion guarantees the lease. Other retailers with similar credit include Kroger, Circle K, Dollar General, AutoZone, and FedEx to name a few. CVS Health is the largest drugstore chain in the US with 9,900+ retail store locations and approximately 310,000 employees. CVS continues to dominate the prescription retail industry by generating 24.5% of the industry's revenue in 2021, which is a 14% increase from 2020.
- **Pandemic Resistant:** Not only was CVS one of the few retailers allowed to remain open as an essential business but they also lead the charge in vaccination efforts throughout the Pandemic, and now have over 4,800 COVID-19 testing sites across the country.
- **Drive-Thru Location:** The location has a drive-thru delivering to the customer-base accessibility and convenience to pick up their prescriptions.





ORANGE GROVE  
SHOPPING CENTER



HARRISON CENTRAL ELEMENTARY



TURAN FOLEY MOTORS



COMMUNITY PLAZA AND ARMED FORCES  
SHOPPING MALL



MEMORIAL PHYSICIAN CLINICS GULF COAST  
SLEEP AND PULMONARY



± 25,000 VPD



COMMUNITY RD





## CROSS ROADS SHOPPING CENTER SHOPPING MALL



## GULFPORT PREMIUM OUTLETS OUTLET MALL



## SINGING RIVER GULFPORT HOSPITAL SYSTEM

130-bed facility offering a wide range of services including Emergency Room - Level III Trauma Center, Level II NICU, Lab and Radiology Services, and Medical & Surgical Inpatient Services Programs in addition to cardiology, OB/GYN, orthopedics, etc.

MEMORIAL PHYSICIAN CLINICS GULF COAST  
SLEEP AND PULMONARY

HARRISON COUNTY  
BUILDING CODE

MAXEM HEALTH  
URGENT CARE

## COMMUNITY PLAZA AND ARMED FORCES SHOPPING MALL



CVS  
pharmacy

CIRCLE K

Sam's  
CLUB

NTB  
TIRE & SERVICE CENTERS

BEST  
BUY

Hardee's

Chick-fil-A

FOLEY RV CENTER  
AND AIRSTREAM OF MISSISSIPPI  
Gulfport, MS



±25,000 VPD





♥ CVS pharmacy®  
SECTION 2  
**FINANCIAL OVERVIEW**



## FINANCIAL OVERVIEW



**\$3,264,000**  
LIST PRICE



**\$179,520**  
NOI



**5.50%**  
CAP RATE



**2000**  
YEAR BUILT

### TENANT SUMMARY

|                                  |                    |
|----------------------------------|--------------------|
| Type of Ownership                | Fee Simple         |
| Lease Guarantor                  | Corporate          |
| Roof, Structure, and Parking Lot | Tenant Responsible |
| Term Remaining                   | ±10 Years          |
| Lease Commencement Date          | 8/19/1999          |
| Lease Expiration Date            | 11/15/2032         |
| Increases                        | 5% in each option  |
| Options                          | Four, 5-Year       |
| GLA                              | ±10,908 SF         |
| Lot Size                         | ±1.80 AC           |
| Year Built                       | 2000               |
| ROFR                             | No                 |

### ANNUALIZED OPERATING DATA

| TERM     | MONTHLY RENT | ANNUAL RENT | RENT PSF | CAP RATE |
|----------|--------------|-------------|----------|----------|
| Current  | \$14,960     | \$179,520   | \$16.46  | 5.50%    |
| Option 1 | \$15,708     | \$188,496   | \$17.28  | 5.78%    |
| Option 2 | \$16,493     | \$197,921   | \$18.14  | 6.06%    |
| Option 3 | \$17,318     | \$207,817   | \$19.05  | 6.37%    |
| Option 4 | \$18,184     | \$218,208   | \$20.00  | 6.69%    |

**FOR FINANCING INQUIRIES PLEASE REACH OUT TO:**

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SECTION 3

# AREA OVERVIEW





## GULFPORT, MS

Gulfport is the larger part of the two cities that make up the Gulfport-Biloxi metro area. Many locals consider the two cities to be essentially one area. The two cities encompass three different counties, which are Hancock, Harrison and Stone. Biloxi and Gulfport are co-county seats of Harrison County.

Gulfport is more commercial of the two cities while Biloxi has more to offer for nightlife and other activities. If you want a spot on the beach right next to multiple nightlife options, Ocean Springs is popular for new residents to the Gulfport area. Other viable Gulfport neighborhoods include Long Beach and the Orange Grove.

## TOURISM

From its beginnings as a lumber port, Gulfport evolved into a diversified city. With about 6.7 miles of white sand beaches along the Gulf of Mexico, Gulfport has become a tourism destination, due in large part to Mississippi's coast casinos. Gulfport has served as host to popular cultural events such as the "World's Largest Fishing Rodeo," "Cruisin' the Coast" (a week of classic cars), "Black Spring Break" and "Smokin' the Sound" (speedboat races).

Gulfport is a thriving residential community with a strong mercantile center. There are historic neighborhoods and home sites, as well as diverse shopping opportunities and several motels scattered throughout to accommodate golfing, gambling, and water-sport tourism. Gulfport is also home to the Island View Casino, one of twelve casinos on the Mississippi Gulf Coast.

Hallmark locations such as the Port of Gulfport, Gulfport/Biloxi International Airport, Gulf Blue, Gulfport Sportsplex, Mississippi Aquarium, Jones Park, Lynn Meadows Discovery Center and much more are situated in the vibrant community of Gulfport. Enjoy the coastal life with an excursion to an island with Ship Island Excursions, find a fishing charter from the harbor in Jones Park or grab a tasty brew from Chandeleur Brewing Company in downtown Gulfport's entertainment district.





## PROPERTY DEMOGRAPHICS

### POPULATION

|                  | 1-MILE | 3-MILE | 5-MILE |
|------------------|--------|--------|--------|
| 2027 Projection  | 3,470  | 33,759 | 77,076 |
| 2022 Estimate    | 3,462  | 32,613 | 73,162 |
| Growth 2022-2027 | 0.23 % | 3.51 % | 5.35 % |

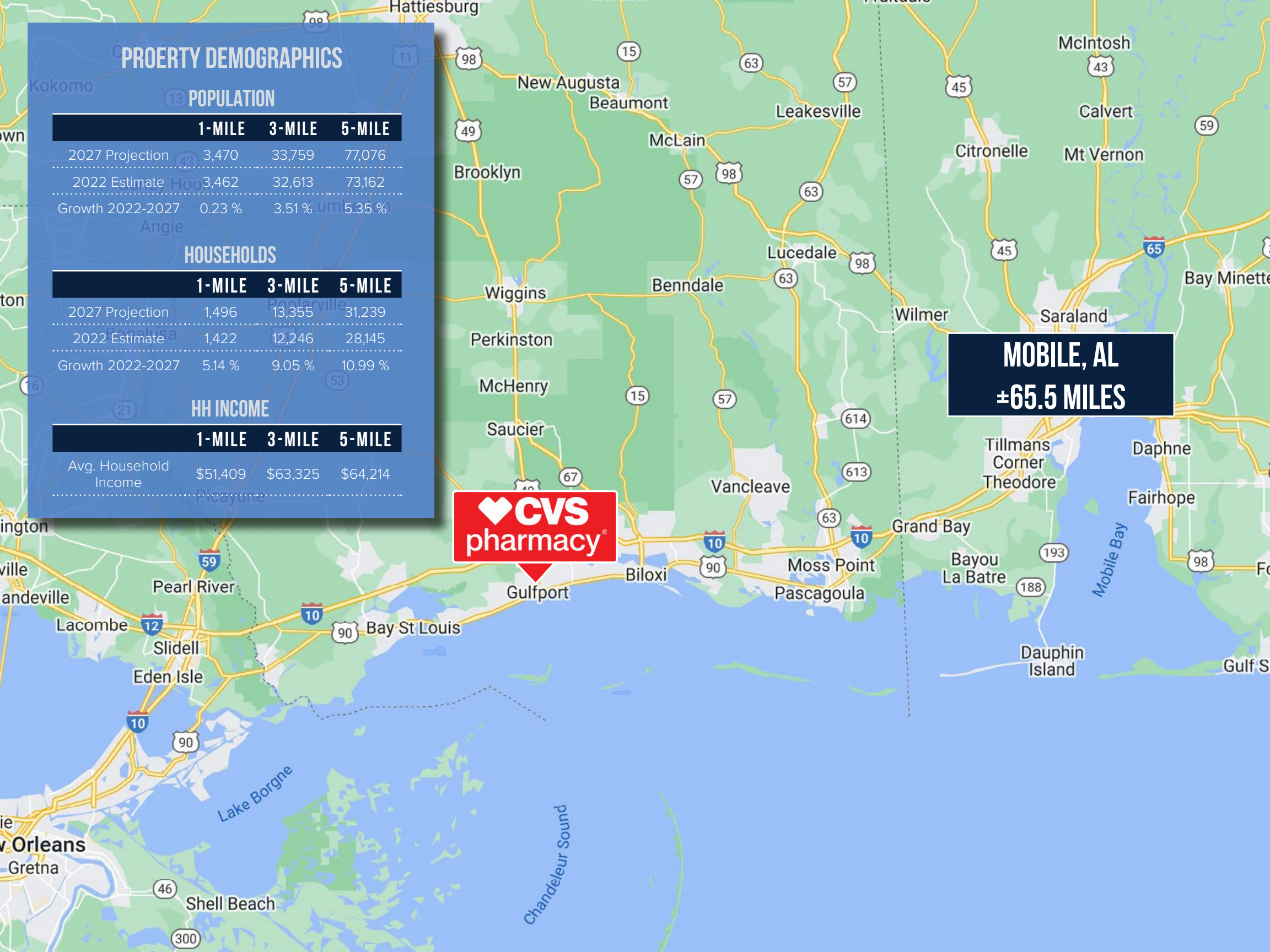
### HOUSEHOLDS

|                  | 1-MILE | 3-MILE | 5-MILE  |
|------------------|--------|--------|---------|
| 2027 Projection  | 1,496  | 13,355 | 31,239  |
| 2022 Estimate    | 1,422  | 12,246 | 28,145  |
| Growth 2022-2027 | 5.14 % | 9.05 % | 10.99 % |

### HH INCOME

|                       | 1-MILE   | 3-MILE   | 5-MILE   |
|-----------------------|----------|----------|----------|
| Avg. Household Income | \$51,409 | \$63,325 | \$64,214 |

**MOBILE, AL**  
**±65.5 MILES**







♥ **CVS** pharmacy<sup>®</sup>  
SECTION 4  
**TENANT OVERVIEW**



## TENANT PROFILE

### COMPANY NAME

CVS Health Corporation

### OWNERSHIP

Public

### WEBSITE

[www.cvs.com](http://www.cvs.com)

### INDUSTRY

Drug Store

### HEADQUARTERS

Woonsocket, Rhode Island



## CVS PHARMACY

CVS Health Corporation, together with its subsidiaries, provides integrated pharmacy health care services. It operates through Pharmacy Services and Retail/LTC segments. The Pharmacy Services segment offers pharmacy benefit management solutions, such as plan design and administration, formulary management, Medicare Part D services, mail order, and specialty pharmacy services, retail pharmacy network management services, prescription management systems, clinical services, disease management programs, and medical pharmacy management services.

The Retail/LTC segment sells prescription drugs, over-the-counter drugs, beauty products, and cosmetics, personal care products, convenience foods, seasonal merchandise, and greeting cards, as well as provides photo finishing services. The company was formerly known as CVS Caremark Corporation and change its name to CVS Health Corporation in September 2014. Hook-SupeRx, LLC operates as a subsidiary of CVS Health Corporation and retails drugs in the United States. It is based in Indianapolis, Indiana, and does business as CVS Pharmacy.



**9,900+**

Locations



**\$119B**

Market Value



**BBB**

Credit Rating



**\$299B**

Annual Revenue



## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **CVS Pharmacy** ("Property") located at **11022 HWY 49, Gulfport, MS 39502**. 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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