



Subject Property

Offering Memorandum

CVS Pharmacy

259 W Main Street, Batavia, New York 14020

 **Stan Johnson Co.**
THE NET LEASE AUTHORITY®

Investment-Grade Credit | 13-Year Remaining Term | Zero Landlord Responsibilities | Drive-Thru Pharmacy w/ Close Proximity to Medical Centers

Our Team

Jason W. Powell, CCIM

Senior Director

jpowell@stanjohnsonco.com

P: +1 404.823.6754

Max Van Dresser

Associate

mvandresser@stanjohnsonco.com

P: +1 404.823.6377

Colin Couch

Associate Director

ccouch@stanjohnsonco.com

P: +1 404.823.6376

David Marlett

Analyst

dmarlett@stanjohnsonco.com

P: +1 404.823.6744

In Association With:

David Bailey

NY Lic. #10301210757

Stan Johnson Company

3340 Peachtree Road NE | Suite 650

Atlanta, GA 30326

P: 404-823-6360

stanjohnsonco.com

Confidentiality and Restricted Use Agreement

This Confidential Offering Memorandum (“COM”) is provided by Stan Johnson Company (“SJC”), solely for your consideration of the opportunity to acquire the commercial property described herein (the “Property”). This COM may be used only as stated herein and shall not be used for any other purpose, or in any other manner, without prior written authorization and consent of SJC.

This COM does not constitute or pertain to an offer of a security or an offer of any investment contract. This COM contains descriptive materials, financial information and other data compiled by SJC for the convenience of parties who may be interested in the Property. Such information is not all inclusive and is not represented to include all information that may be material to an evaluation of the acquisition opportunity presented. SJC has not independently verified any of the information contained herein and makes no representations or warranties of any kind concerning the accuracy or completeness thereof. All summaries and discussions of documentation and/or financial information contained herein are qualified in their entirety by reference to the actual documents and/or financial statements, which upon request may be made available. An interested party must conduct its own independent investigation and verification of any information the party deems material to consideration of the opportunity, or otherwise appropriate, without reliance upon SJC.

The Property may be financed or withdrawn from the market without notice, and its owner(s) reserve(s) the right to negotiate with any number of interested parties at any time. The Property is offered and sold by its owner(s) as is, where is, and with all faults, without representation or warranty of any kind except for any customary warranties of title.

BY ACCEPTING THIS COM, YOU AGREE THAT: (1) all information contained herein, and all other information you have received or may hereafter receive from SJC relating to the Property, whether oral, written or in any other form (collectively, the “Information”), is strictly confidential; (2) you will not copy or reproduce, and claim as your own without attribution to SJC, all or any part of this COM or the Information; (3) upon request by SJC at any time, you will return and/or certify your complete destruction of all copies of this COM and the Information; (4) for yourself and all your affiliates, officers, employees, representatives, agents and principals, you hereby release and agree to indemnify and hold harmless SJC all of its affiliates, officers, employees, representatives, agents and principals, from and with respect to any and all claims and liabilities arising from or related to the receipt or use of this COM and/or any other Information concerning the Property; (5) you will not provide this COM or any of the Information to any other party unless you first obtain such party’s acceptance and approval of all terms, conditions, limitations and agreements set forth herein, as being applicable to such party as well as to you; and (6) monetary damages alone will not be an adequate remedy for a violation of these terms and that SJC shall be entitled to equitable relief, including, but not limited to, injunctive relief and specific performance, in connection with such a violation and shall not be required to post a bond when obtaining such relief.

Section One

Investment Overview



The Offering

Stan Johnson Company, on behalf of ownership, is pleased to offer for sale to qualified investors the 100% fee simple interest in this CVS Pharmacy property located at 259 W Main Street, Batavia, New York 14020 (the "property").

The lease has approximately thirteen (13) years remaining in the primary term. There are also 6, 5-year options for CVS to renew, each of which feature 5% rental increases. CVS is operating under a Absolute NNN lease structure in which the tenant is responsible for all expenses relating to the property including taxes, insurance, common area maintenance, roof and structure. This is a 100% passive investment with zero landlord responsibilities whatsoever.

The Property is advantageously located on Main Street (27,910 VPD) and is less than half a mile from both United Memorial Medical Center and Batavia VA Medical Center. CVS is operating directly adjacent to other national tenants Ashley Furniture, McDonald's, Dunkin', Dollar Tree, UPS and Tim Hortons. This location also features a drive-thru pharmacy.

CVS Health Corp. (NYSE: CVS) holds a BBB/Stable investment-grade credit rating via S&P and boasts a current market cap of approximately \$86 billion. Walgreens currently ranks #7 on the Fortune 500 list and is considered one of the most stable companies in the world.



 Purchase Price:
\$5,434,983

 Cap Rate:
6.00%

Property Summary	
Location	259 W Main Street, Batavia, NY 14020
Sq. Footage (+/-)	11,945
Acreage (+/-)	1.40
Lease Term Remaining (+/-)	13 Years
Lease Type	Absolute NNN
Year Built	2006
Ownership	Fee Simple

Offering Summary	
NOI	\$326,099
Offering Price	\$5,434,983
Tenant	CVS Albany, LLC
Guarantor	CVS Health Corp. (S&P: BBB)
Property Type	Retail

Demographics			
	0-1 mile	0-3 miles	0-5 miles
2019 Population	8,863	19,086	23,738
2019 Average HHI	\$61,358	\$66,354	\$68,345

Unique Property Attributes



WORLD-CLASS GUARANTEE

BBB/STABLE INVESTMENT-GRADE
CREDIT (S&P)



**13+ YEAR
REMAINING TERM**
& RENEWAL OPTIONS
W/ INCREASES



**ABSOLUTE
NNN LEASE**
ZERO LANDLORD
RESPONSIBILITIES



**CLOSE PROXIMITY
TO HOSPITAL AND
VA CENTER**



**MAIN ST RETAIL
LOCATION**
+/- 28,000 VEHICLES
PER DAY



**DRIVE-THRU
PHARMACY**



Purchase Price:
\$5,434,983



Cap Rate:
6.00%

Investment Highlights

Investment-Grade Corporate Credit - CVS Health Corp. (NYSE: CVS) holds a BBB/Stable investment-grade credit rating via S&P and boasts a current market cap of approximately \$86 billion. Walgreens currently ranks #7 on the Fortune 500 list and is considered one of the most stable companies in the world.

13-Year Remaining Term - The lease has approximately thirteen (13) years remaining in the primary term. There are also 6, 5-year options for CVS to renew, each of which feature 5% rental increases.

Zero Landlord Responsibilities - CVS is operating under a Absolute NNN lease structure in which the tenant is responsible for all expenses relating to the property including taxes, insurance, common area maintenance, roof and structure. This is a 100% passive investment with zero landlord responsibilities whatsoever.

Main Street Location w/ Proximity to Medical Centers - The Property is advantageously located on Main Street (27,910 VPD) and is less than half a mile from both United Memorial Medical Center and Batavia VA Medical Center. CVS is operating directly adjacent to other national tenants Ashley Furniture, McDonald's, Dunkin', Dollar Tree, UPS and Tim Hortons.

Drive-Thru Pharmacy - The Property features a drive-thru pharmacy, a significant advantage over other CVS and pharmacy stores without the same attribute.



Section Two

Property Information



Lease Abstract

Tenant	CVS Albany, LLC
Guarantor	CVS Health Corp. (S&P: BBB)
Address	259 W Main Street, Batavia, NY 14020
Sq. Footage (+/-)	11,945
Acreage (+/-)	1.40
Year Built	2006
Ownership	Fee Simple
NOI	\$326,099
Rent PSF	\$27.30
Primary Term Expiration	1/31/2033
Lease Term Remaining (+/-)	13 Years
Expenses	Absolute NNN
Landlord Responsibilities	None
Tenant Responsibilities	Tenant is responsible for any and all expenses relating to the property including taxes, insurance, common area maintenance, roof and structure.
Renewal Options	6, 5-Year
Option Rental Increases	5% Increase in each Option

Rent Schedule

Term	Period Ending	Annual Rent	Rent PSF	Increase
Primary	Present - 1/31/2033	\$326,099	\$27.30	--
Option 1	2/1/2033 - 1/31/2038	\$342,404	\$28.67	5%
Option 2	2/1/2038 - 1/31/2043	\$359,524	\$30.10	5%
Option 3	2/1/2043 - 1/31/2048	\$377,500	\$31.60	5%
Option 4	2/1/2048 - 1/31/2053	\$396,375	\$33.18	5%
Option 5	2/1/2053 - 1/31/2058	\$416,194	\$34.84	5%
Option 6	2/1/2058 - 1/31/2063	\$437,004	\$36.58	5%



Subject Property



I-90 (± 36,340 VPD)

Lewiston Rd / NY-63 (±9,410 VPD)

W Main St / NY-5 (± 27,910 VPD)

NY-98 (± 12,740 VPD)

Pearl St / NY-33 (± 5,700 VPD)

Palm Island Indoor Waterpark

Genesee Valley Educational Partnership

Batavia High School
Students: ±651

Dwyer Stadium

United Memorial Medical Center

John Kennedy Elementary
Students: ±526

Batavia Middle School
Students: ±685

Batavia City Hall

Downtown Batavia

Walmart

Target
AT&T
DICK'S SPORTING GOODS
Marshalls
petco
MICHAEL'S
FIVE GUYS BURGERS and FRIES
FAMOUS footwear
KOHLS
five BELOW

Batavia Downs Gaming & Hotel

Notre Dame High School
Students: ±170

Bj's WHOLESALE CLUB

verizon

TOPS Fresh Markets

JOANN
Advance Auto Parts
OneMain Financial
MCDONALD'S
Denny's
goodwill
LONG JOHN SILVER'S
TACO BELL
HARBOR FREIGHT TOOLS
DUNKIN' DONUTS
RBC
DOLLAR TREE

CVS pharmacy

BURGER KING
Arbys
Chrysler Jeep Dodge RAM
Speedway

Subway

Wendy's

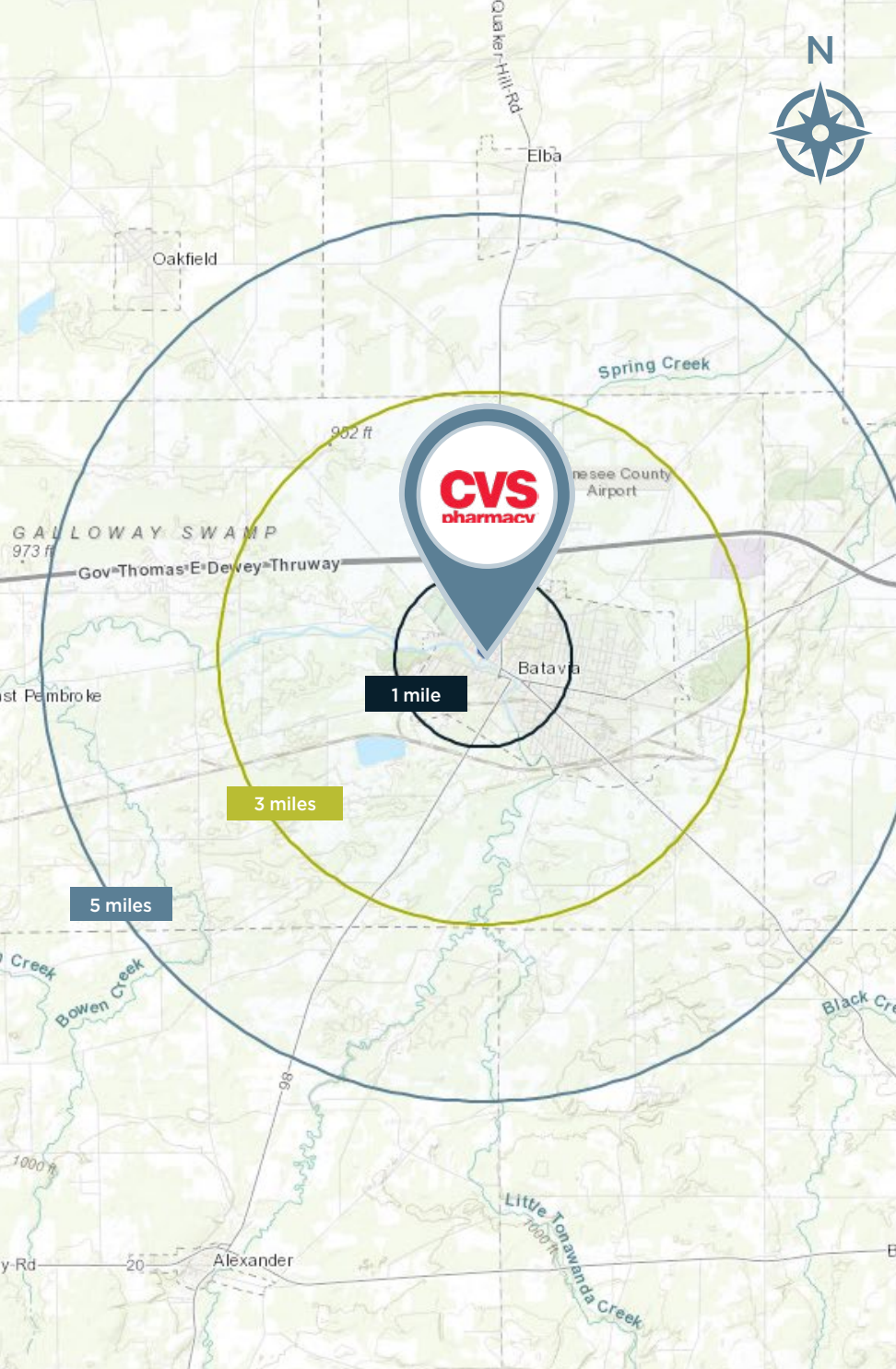
Save a lot

Save a lot
Dixie Hot



Demographics

259 W Main Street, Batavia, New York 14020



2019 Population
2024 Population

	0 - 1 mi.	0 - 3 mi.	0 - 5 mi.
2019 Population	8,863	19,086	23,738
2024 Population	8,632	18,632	23,187



2019 Total Households
2024 Total Households

	0 - 1 mi.	0 - 3 mi.	0 - 5 mi.
2019 Total Households	3,679	7,978	9,708
2024 Total Households	3,586	7,794	9,493



2019 Median Household Income
2019 Average Household Income

	0 - 1 mi.	0 - 3 mi.	0 - 5 mi.
2019 Median Household Income	\$46,044	\$50,342	\$51,894
2019 Average Household Income	\$61,358	\$66,354	\$68,345



23K+
5-Mile Radius



68K+
Average Household
Income 5-Mile Radius

Source: Esri, U.S. Census Bureau

Batavia, NY

Batavia is a city in and the county seat of Genesee County, New York. As of the U.S. Census of 2010, there were 15,465 people, 6,644 households, and 3,710 families residing in the city. Batavia is located directly between Rochester, NY and Buffalo, NY and is situated approximately 40 miles (45-minute drive) from both cities. The New York State Thruway (I-90) passes directly north of Batavia.

Batavia was named to acknowledge and honor the Dutch investors who comprised the Holland Land Company. At that time, their homeland of the Netherlands was known as the Republic of Batavia. Batavia has been the county seat of Genesee County beginning with the latter's formation in 1802. Among its many attractions is the second Holland Land Office, now a museum, built in 1815 as a successor to Joseph Ellicott's first land office. Other historic structures are also located in Batavia including the 1841 Court House and the former Brisbane Mansion built in 1853.



Downtown Batavia



Old Mill Dam

CVS Health Corporation Tenant Overview

CVS Health Corporation (NYSE: CVS), headquartered in Woonsocket, Rhode Island, is one of the largest pharmacy healthcare providers in the United States, with integrated offerings across the entire spectrum of pharmacy care. Through their unique suite of assets, the company is reinventing pharmacy to offer innovative solutions that help people on their path to better health. CVS is focused on enhancing access to care, lowering overall healthcare costs for plan members and payors, and improving health outcomes.

Through the company's more than 9,700 retail pharmacies; its leading pharmacy benefit manager serving more than 90 million plan members; and its retail health clinic system, the largest in the nation with more than 1,100 MinuteClinic locations; it is a market leader in mail order, retail and specialty pharmacy, retail clinics, and Medicare Part D Prescription Drug Plans.

In December 2015, CVS Health completed a \$1.9 billion agreement to take over Target's (NYSE: TGT) pharmacy and clinic businesses. The deal brought 1,672 new pharmacies into CVS Health, which expanded its retail footprint by more than 20%. They are operated through a store-within-a-store format, branded as CVS Pharmacy.

For the twelve month period ended December 31, 2017, CVS Health Corporation reported total revenue of \$184 billion, net income of \$6.61 billion and a net worth in excess of \$79.8 billion. CVS currently holds a Standard & Poor's credit rating of BBB+.

CVS Health Corporation

No. of Locations	9,700
Credit Rating	BBB/Stable (S&P)
Stock Symbol	NYSE: CVS
Total Revenue	\$184 billion*
Net Worth	\$79.8 billion*
Tenant Business	Retail/Pharmacy
Headquarters	Woonsocket, RI
Website	www.cvshealth.com

**As of 12/31/2017*



9,709 CVS/pharmacy Stores

CVS/pharmacy has over 9,700 retail drug stores and is currently located in 98 of the top 100 drugstore markets.

250,000 Employees

CVS Health employs over 250,000 employees across 50 states, the District of Columbia, Puerto Rico and Brazil.

34M+ MinuteClinic Visits

CVS MinuteClinic nurse practitioners have received more than 34 million patients to date, with a 95 percent customer satisfaction rating.

24,000 Pharmacists

CVS Health employs more than 24,000 pharmacists across the company.

70M ExtraCare Members

CVS's loyalty card program, ExtraCare, is the largest retail savings and rewards program with more than 70 million active member households.

2.4B Prescriptions

CVS Health fills or manages 2.4 billion prescriptions each year and has captured one third of total U.S. prescription growth since 2008.

Jason W. Powell, CCIM
Senior Director
jpowell@stanjohnsonco.com
P: +1 404.823.6754

Max Van Dresser
Associate
mvandresser@stanjohnsonco.com
P: +1 404.823.6377

Colin Couch
Associate Director
ccouch@stanjohnsonco.com
P: +1 404.823.6376

David Marlett
Analyst
dmarlett@stanjohnsonco.com
P: +1 404.823.6744

In Association With:
David Bailey
NY Lic. #10301210757

Stan Johnson Company
3340 Peachtree Road NE | Suite 650
Atlanta, GA 30326
P: 404-823-6360
stanjohnsonco.com



going beyond

The information contained herein was obtained from sources believed reliable, however, Stan Johnson Company makes no guaranties, warranties or representations as to the completeness thereof. The presentation of this property for sale, rent or exchange is submitted subject to errors, omissions, change of price or conditions, or withdrawal without notices.