



**CVS**

34 North Cannon Avenue · Hagerstown, MD

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34 North Cannon Avenue  
Hagerstown, MD 21740

## THE OFFERING

<b>PRICE</b>	\$3,725,927
<b>CAP RATE</b>	5.5%
<b>TOTAL GLA</b>	10,800 SF
<b>LOT SIZE</b>	1.08 Acres
<b>YEAR BUILT</b>	2001
<b>LEASE TYPE</b>	NN*
<b>LEASE TERM</b>	18 Years
<b>TERM REMAINING LEASE</b>	17.5 Years
<b>COMMENCEMENT LEASE</b>	1/1/2018
<b>EXPIRATION RENT</b>	1/31/2036
<b>INCREASES OPTIONS</b>	6% in Option Periods
<b>OPTIONS</b>	4x 5 Year
<b>ROOF &amp; STRUCTURE</b>	Landlord Responsible
<b>TYPE OF OWNERSHIP</b>	Fee Simple
<b>DEBT</b>	Free & Clear

## RENT SCHEDULE

Base Term (1/1/2018 - 1/31/2036)	\$205,476
<b>OPTIONS</b>	
1st Option: 2/1/2036 - 1/31/2041 2nd	\$217,805
Option: 2/1/2041 - 1/31/2046 3rd	\$230,873
Option: 2/1/2046 - 1/31/2051 4th	\$244,725
Option: 2/1/2051 - 1/31/2056	\$259,409

## LOAN QUOTE

<b>Loan to Value</b>	70% (at 5.5% CAP Rate)
<b>Rate</b>	3.40% +/-
<b>Term</b>	10 Year Fixed Term (Longer Available)
<b>Amortization</b>	Up to 30 Year
<b>Other Terms</b>	Non-Recourse Available

NOTE: Ownership will Credit Buyer at Closing the Sum of \$43,200  
(\$4.00/SF) Toward Any Roof Repair or Replacement

## INVESTMENT HIGHLIGHTS

- CVS Just Signed a New 18 Year Lease until 2036 Indicating Strong Store Sales and Performance
- Low Price Point for an Investment Grade Drug Store
- Low, Replaceable Rent per Square Foot at \$19.02/SF
- Strong History of Occupancy - At Location Since 2000
- Downtown Location at Major Three-Way Intersection with Vehicle Counts Exceeding 30,000 VPD
- Roof Credit of \$43,200 (\$4.00/SF) Offered at Closing
- Investment Grade Tenant Rated BBB+ (Standard & Poor's)

Marcus & Millichap is pleased to present this CVS Store in Hagerstown, MD., the County Seat of Washington County and home to six colleges and universities. Hagerstown is a major stop along Interstate 81, and is a major distribution hub. Despite its semi-rural Western Maryland setting, Hagerstown is a center of transit and commerce. Interstates 81 and 70, CSX, Norfolk Southern, and the Winchester and Western railroads, and Hagerstown Regional Airport form an extensive transportation network for the city. Hagerstown is also the chief commercial and industrial hub for a greater Tri-State Area that includes much of Western Maryland as well as significant portions of South Central Pennsylvania and the Eastern Panhandle of West Virginia. Hagerstown has often been referred to as, and is nicknamed, the Hub City.

This property sits at a major three way downtown intersection. CVS just renewed its lease for another 18 years and has operated at this location since 2000, which indicates the success of this store. Given the visibility, access, population density, zoning, low rent per SF, and site size, this parcel is positioned to be re-developed if ever needed at equal or greater rent.

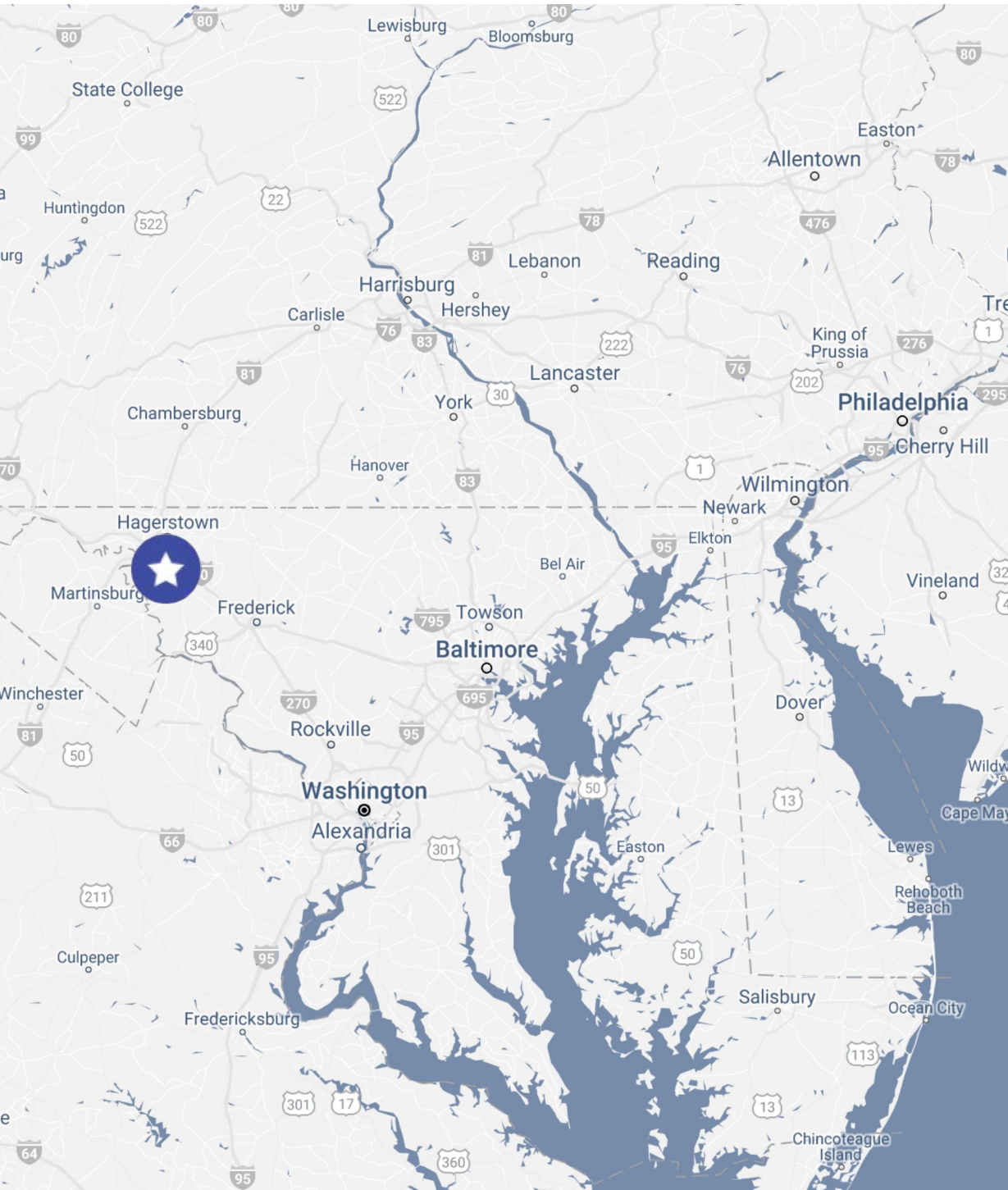
**TENANT SUMMARY**

<b>TENANT TRADE NAME</b>	CVS Caremark Corp
<b>LEASE GUARANTOR</b>	Corporate Guarantee
<b>OWNERSHIP</b>	Public
<b>CREDIT RATING</b>	BBB+ (S&P)
<b>NO. OF LOCATIONS</b>	9,600+
<b>HEADQUARTERED</b>	Woonsocket, RI
<b>WEBSITE</b>	<a href="http://www.cvs.com">www.cvs.com</a>

CVS Pharmacy is a subsidiary of the American retail and health care company CVS Health, headquartered in Woonsocket, Rhode Island. It was 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 9,600 as of 2016) 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 2016. CVS Pharmacy's leading competitor Walgreens Boots Alliance ranked 37th.

CVS Health (NYSE:CVS) is a pharmacy innovation company helping people on their path to better health. Through their 9,600 retail pharmacies, more than 1,100 walk in medical clinics, a leading pharmacy benefits manager with more than 65 million plan members, and expanding specialty pharmacy services, CVS enables people, businesses and communities to manage health in more affordable, effective ways. This unique integrated model increases access to quality care, delivers better health outcomes, and lowers overall health care costs. 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. Its healthcare services include MinuteClinic medical clinics as well as their Diabetes Care Centers. Most of these clinics are located within CVS stores.





### LOCATION HIGHLIGHTS

- Zoned C-2 - General Commercial City of Hagerstown
- 10,800 SF Building is Situated on a 1.07 Acre Parcel with 40 Parking Spaces
- Adjacent to McDonald’s Pad Site with Shared Entrance
- Located at U.S. Route 40 and North Cannon Avenue - the Major Retail Corridor Running through Hagerstown
- Easy Access to Interstate I-81 and I-70
- Hagerstown is the County Seat of Washington County, MD and Home to Six Colleges and Universities

HAGERSTOWN  
CHILDREN'S  
SCHOOL

EXPRESS  
PHARMACY

SUBJECT  
PROPERTY

CATOCTIN  
COUNSELING

MCDONALD'S



CITY  
CARS

PHOENIX  
HEALTH  
CENTER

SHEETZ

Advance  
Auto Parts

Walgreen's  
Maryland Pain and  
Spine Associates  
Antietam  
Orthodontics

SUBJECT  
PROPERTY



**TACO  
BELL**



enterprise  
rent-a-car



**The Greens**  
AT HAMILTON RUN

DUAL HWY LIQUORS



**BAYMONT**  
INN & SUITES



**AutoZone**



**PAPA JOHN'S**



**SHEETZ**

BURGER KING  
WALGREENS



**ALDI**



**SUPER  
SHOES**  
MORE BRANDS • MORE VALUE



**M&T Bank**



**DOLLAR TREE**



**weis**



**Quiznos SUB**  
Mmm...TOASTY!



**QUALITY  
INN & SUITES**



# BALTIMORE

## OVERVIEW

Strategically located at the center of the Eastern Seaboard in central Maryland, the Baltimore metro spans Baltimore, Anne Arundel, Carroll, Harford, Howard and Queen Anne's counties as well as the city of Baltimore. The city was split off as an independent entity in 1851 and is situated 45 miles northeast of Washington, D.C. Baltimore's port on the Chesapeake Bay is closer to major Midwestern markets than any other large seaport on the East Coast, nurturing a large shipping industry. The metro area contains roughly 2.8 million people, nearly 627,600 of whom reside in the city of Baltimore. Population growth is occurring largely in the outer portions of the metro such as Howard County.

## METRO HIGHLIGHTS



### STRONG BIOMEDICAL INDUSTRY

Johns Hopkins University is one of the most distinguished biomedical research facilities in the country and attracts tech firms to the area.



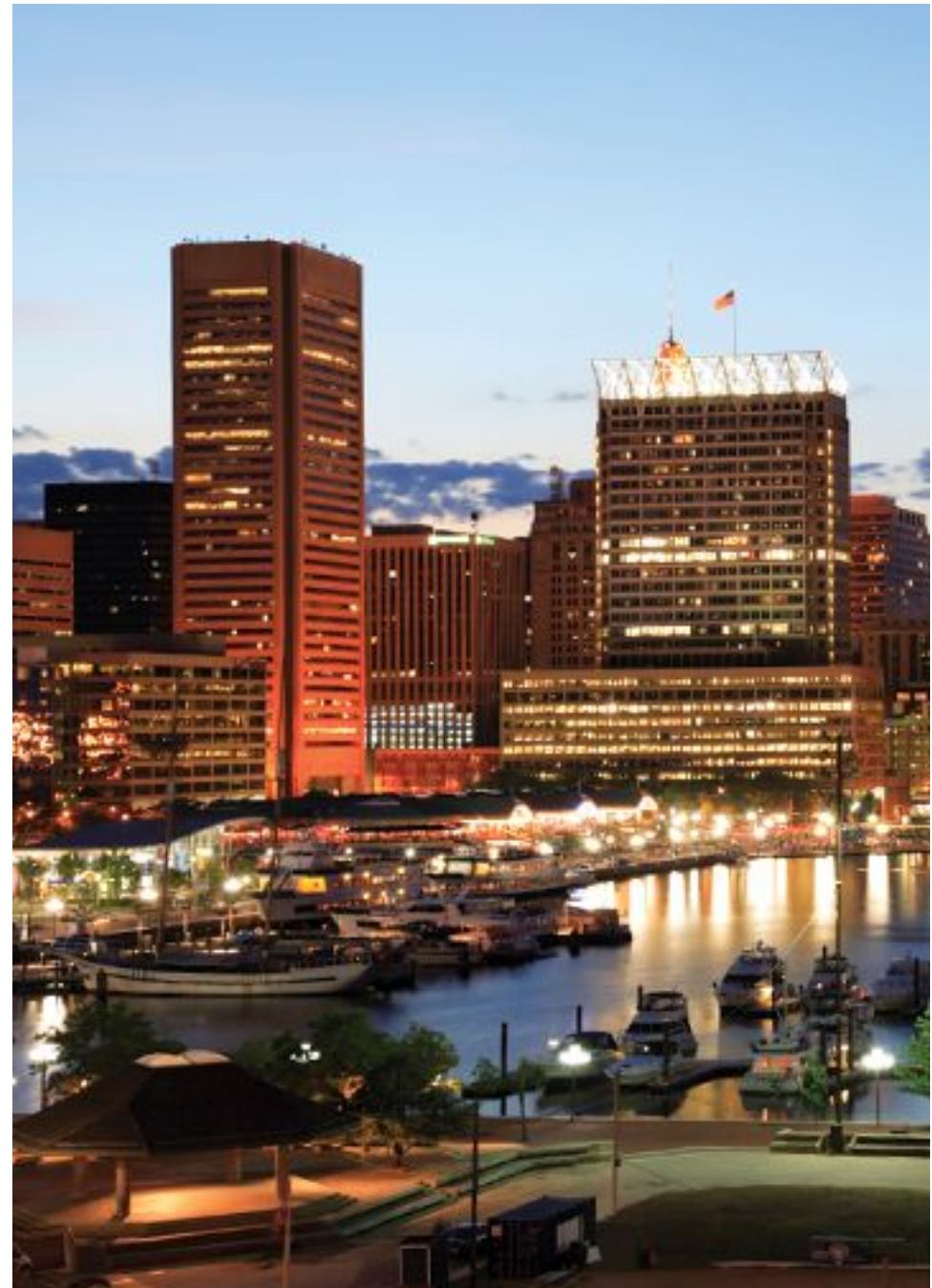
### LOWER COST OF LIVING

A median home price that is well below many other major East Coast cities contributes to Baltimore residents' lower cost of living.



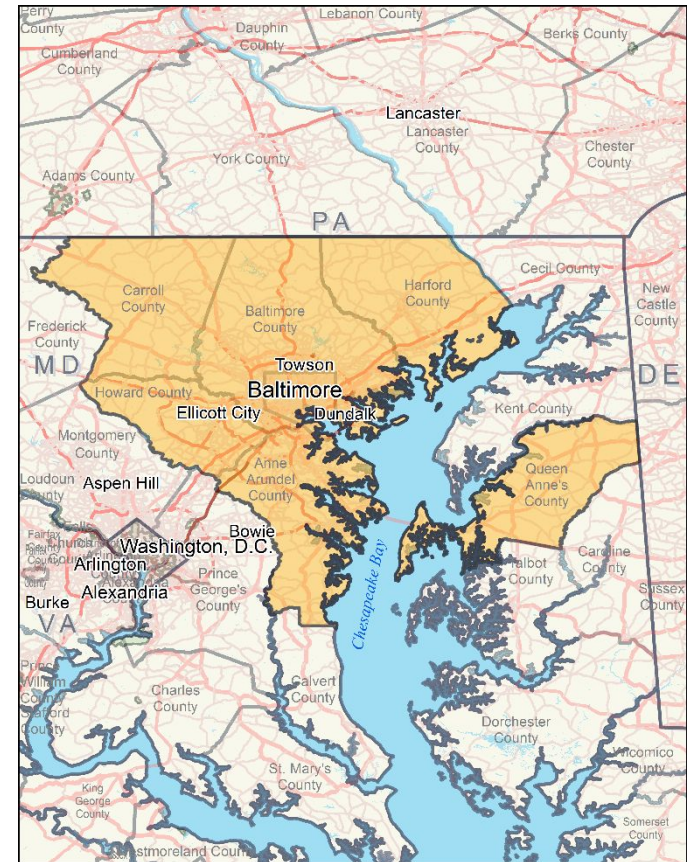
### PORT TRAFFIC

The Port of Baltimore, which ranks in the top 15 nationwide in terms of foreign tonnage, underpins the transportation and logistics industries.

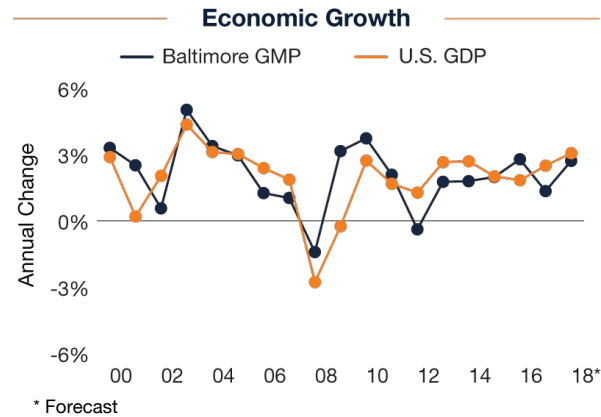


# ECONOMY

- The local economy is anchored by the government, education and health services, professional and business services, and trade, transportation and utilities sectors.
- Interstate 95 is a major East Coast transportation corridor providing access to Washington, D.C., and New York City.
- The economy continues to diversify from manufacturing. Fortune 1000 companies include Legg Mason, T. Rowe Price, Laureate and McCormick & Co.
- Government is a vital economic driver. Many state agencies are located in the metro, fostering the highest concentration of federal civilian employment in the nation.



MAJOR AREA EMPLOYERS
Fort George G. Meade
University of Maryland
John Hopkins University
University of Maryland Medical System
GBMC HealthCare
LifeBridge Health
Aberdeen Proving Ground
John Hopkins Hospital and Health System
U.S. Social Security Administration
MedStar Health



## SHARE OF 2017 TOTAL EMPLOYMENT

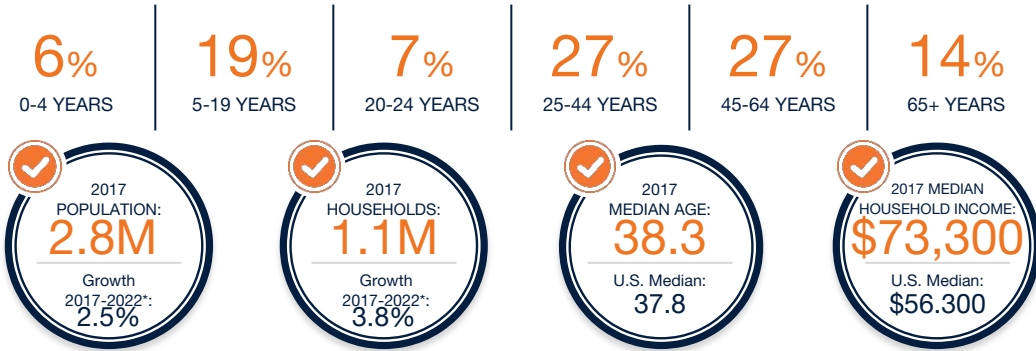




## DEMOGRAPHICS

- The metro is projected to add nearly 70,300 people through 2022, which will result in the formation of nearly 41,700 households.
- A median home price slightly above the national level has allowed 65 percent of households to own their home.
- Roughly 36 percent of people age 25 and older hold a bachelor’s degree; among those residents, 16 percent also have earned a graduate or professional degree.

### 2017 Population by Age



### QUALITY OF LIFE

Steeped in more than 275 years of history and tradition, Baltimore is a “city of neighborhoods” located within 45 miles of Washington, D.C. Visitors to the inner harbor can enjoy the National Aquarium and Maritime Museum, sailing on a clipper ship or eating at the many restaurants. Baltimore houses world-famous art collections and museums, including the Museum of Art and the Museum of Industry. The region is supported by a comprehensive public transit system including buses, a subway and light- and passenger-rail lines. Within the city and surrounding region are more than 30 institutions of higher learning, including Johns Hopkins University, the University of Maryland, Morgan State University and Towson University.

\* Forecast  
 Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau

## SPORTS



## EDUCATION



## ARTS & ENTERTAINMENT



POPULATION	1 Miles	3 Miles	5 Miles
2022 Projection			
Total Population	17,277	62,483	93,191
2017 Estimate			
Total Population	17,254	60,316	88,122
2010 Census			
Total Population	16,887	59,030	86,176
2000 Census			
Total Population	16,674	54,800	75,255
Current Daytime Population			
2017 Estimate	22,276	75,365	101,196
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
2022 Projection			
Total Households	7,595	26,195	38,114
2017 Estimate			
Total Households	7,552	25,087	35,821
Average (Mean) Household Size	2.24	2.35	2.42
2010 Census			
Total Households	7,377	24,499	34,968
2000 Census			
Total Households	7,611	23,191	31,206
Occupied Units			
2022 Projection	7,595	26,195	38,114
2017 Estimate	8,664	27,662	38,966
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
2017 Estimate			
\$150,000 or More	2.77%	5.44%	6.90%
\$100,000 - \$149,000	5.61%	9.73%	11.94%
\$75,000 - \$99,999	7.93%	11.14%	12.29%
\$50,000 - \$74,999	15.05%	19.49%	20.21%
\$35,000 - \$49,999	14.04%	14.51%	13.64%
Under \$35,000	54.58%	39.68%	35.02%
Average Household Income	\$46,342	\$62,060	\$69,081
Median Household Income	\$30,835	\$45,200	\$51,661
Per Capita Income	\$20,766	\$26,151	\$28,391

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$54,479	\$69,092	\$75,284
Consumer Expenditure Top 10 Categories			
Housing	\$13,612	\$16,903	\$18,294
Transportation	\$8,770	\$11,028	\$11,929
Shelter	\$7,695	\$9,481	\$10,262
Food	\$5,054	\$6,244	\$6,745
Personal Insurance and Pensions	\$4,002	\$5,703	\$6,495
Health Care	\$3,210	\$4,364	\$4,760
Utilities	\$3,181	\$3,762	\$3,996
Entertainment	\$1,912	\$2,426	\$2,633
Cash Contributions	\$1,431	\$1,976	\$2,170
Household Furnishings and Equipment	\$1,218	\$1,601	\$1,747

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
Population By Age			
2017 Estimate Total Population	17,254	60,316	88,122
Under 20	26.37%	25.75%	25.73%
20 to 34 Years	23.13%	21.07%	19.71%
35 to 39 Years	6.43%	6.09%	6.09%
40 to 49 Years	12.50%	12.36%	12.73%
50 to 64 Years	18.49%	18.77%	19.24%
Age 65+	13.08%	15.94%	16.51%
Median Age	35.36	37.55	38.73
Population 25+ by Education Level			
2017 Estimate Population Age 25+	11,503	40,976	60,194
Elementary (0-8)	4.08%	2.82%	2.64%
Some High School (9-11)	15.94%	11.24%	9.97%
High School Graduate (12)	37.77%	36.60%	35.79%
Some College (13-15)	21.40%	21.77%	21.23%
Associate Degree Only	6.63%	7.49%	8.14%
Bachelors Degree Only	8.11%	12.08%	13.47%
Graduate Degree	5.01%	6.95%	7.76%



### Population

In 2017, the population in your selected geography is 60,316. The population has changed by 10.07% since 2000. It is estimated that the population in your area will be 62,483.00 five years from now, which represents a change of 3.59% from the current year. The current population is 48.02% male and 51.98% female. The median age of the population in your area is 37.55, compare this to the US average which is 37.83. The population density in your area is 2,130.26 people per square mile.



### Households

There are currently 25,087 households in your selected geography. The number of households has changed by 8.18% since 2000. It is estimated that the number of households in your area will be 26,195 five years from now, which represents a change of 4.42% from the current year. The average household size in your area is 2.35 persons.



### Income

In 2017, the median household income for your selected geography is \$45,200, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 30.68% since 2000. It is estimated that the median household income in your area will be \$53,258 five years from now, which represents a change of 17.83% from the current year.

The current year per capita income in your area is \$26,151, compare this to the US average, which is \$30,982. The current year average household income in your area is \$62,060, compare this to the US average which is \$81,217.



### Race and Ethnicity

The current year racial makeup of your selected area is as follows: 75.52% White, 14.88% Black, 0.09% Native American and 1.84% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 6.68% of the current year population in your selected area. Compare this to the US average of 17.88%.



### Housing

The median housing value in your area was \$183,466 in 2017, compare this to the US average of \$193,953. In 2000, there were 11,950 owner occupied housing units in your area and there were 11,240 renter occupied housing units in your area. The median rent at the time was \$413.



### Employment

In 2017, there are 38,862 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 53.95% of employees are employed in white-collar occupations in this geography, and 45.73% are employed in blue-collar occupations. In 2017, unemployment in this area is 6.93%. In 2000, the average time traveled to work was 27.00 minutes.



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