



CVS/pharmacy **24 HOURS**

19100



SINGLE TENANT
Absolute **NNN** Leasehold Investment

19100 Montgomery Village Avenue, Gaithersburg, MD





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Established Brand

- **CVS Pharmacy (NYSE: CVS) - S&P Rated BBB+,
Outlook: Stable - Investment Grade**
- **Over \$55 Billion in Corporate Revenue -
Net Income over \$1.66 Billion**
- **Ranked 40th in Fortune Global 500 -
Ranked 13th in US-Only Fortune 500**
- **Largest Pharmacy Care Provider in
United States - Entire Spectrum of Pharmacy Care**
- **Over 7,450 Stores in 42 States - Over 203,000
Employees - Over 65,000 Pharmacies**



Property Overview

Property Summary

We are pleased to offer to qualified investors an opportunity to purchase a single tenant investment fully leased to CVS Pharmacy. This is an absolute NNN leasehold lease with approximately 14 years of fixed term remaining with 4-5 year option periods. Additionally, there are fixed increases at each option; with three options remaining, an Owner will most likely enjoy a significant increase in rent at the end of the final option.

The property is located in Gaithersburg, Maryland, within established retail trade corridors. In 2013, CVS ranked fortieth in the Fortune Global 500 list of the world's largest companies and thirteenth in the US-only Fortune 500. It operates stores in 42 states as well as Puerto Rico and the District of Columbia. It employs over 203,000 people and is the largest pharmacy care provider in the United States with offerings across the entire spectrum of pharmacy care. This is an opportunity to purchase a single tenant CVS asset on leasehold interest at an above-market CAP rate which is situated in a strong trade area with strong fundamentals.

Pricing

List Price	\$3,985,000
NOI	\$278,907
CAP Rate	7.00%

Operating Expense Data

Annual Rent	\$278,907
Operating Expense	
Taxes	NNN
Insurance	NNN
CAM	NNN
Net Operating Income	\$278,907

**Tenant Pays All Ground Lease Payments*

***Ground Lease Term Extends to 2051 (including options)*



Lease Summary



LEASE ABSTRACT

Tenant Trade Name	CVS
Ownership	Leasehold
Lease Type	Absolute NNN
Rent Commencement	April 1, 2008
Lease Expiration	January 31, 2033 (No rent from 2/1/2030 to 1/31/2033)
	4 Options
	1st Option: 2/1/2033 – 1/31/2036 \$20,918.02 / mo
Options	2nd Option: 2/1/2036 – 1/31/2041 \$20,918.02 / mo
	3rd Option: FMV
	4th Option: FMV

GROUND LEASE TERMS

Primary Term	Through 1/31/2031 \$37,500 / mo
	4 Options
	1st Option: 2/1/2031 – 1/31/2036 \$41,250 / mo
Options	2nd Option: 2/1/2036 – 1/31/2041 \$45,375 / mo
	3rd Option: 2/1/2041 – 1/31/2046 \$49,912.50 / mo
	4th Option: 2/1/2046 – 1/31/2051 \$54,903.75 / mo



Investment Highlights

Absolute NNN Leasehold - Ease of Management

- Approximately 14 Years On Absolute NNN Lease - Zero Landlord Responsibilities
- 4 - 5 Year Option Periods - Fixed Rental Increase at Each Option
- Dense Infill Area - Strong Street Visibility and Access
- Pride of Ownership - America's #1 Retail Drugstore Chain - Iconic Asset

Excellent Retail Location

- Located on Major Traffic Corridor in Densely Retailed Area
- Surrounding retailers include McDonald's, CVS, Global Food, Dollar Tree, Bank of America, Einstein Bros. Bagels, and Big Lots
- Strong Demographics - Over 139,722 Residents Within a 3-Mile Radius
- Average Household Income of \$60,519 Within a 3-Mile Radius

Excellent 1031 Exchange Asset

- Investment Grade Credit - Dependable Income Streams
- Stable Income - Fixed Rental Increases At Each Option
- Largest Pharmacy Care Provider in the United States - Iconic Asset
- Proven Retail Corridor - High Traffic Flow - Excellent Fundamentals
- Low Equity Requirement - Ability to Deduct Mortgage Interest





WHETSTONE
ELEMENTARY
SCHOOL

7 ELEVEN **Dollar TREE** **BIG LOTS!**

EDSTEIN BROS BAGELS **Denny's** **boost mobile**

Bank of America



19100 Montgomery
Village Avenue

**Over 139,722 Residents
Within a 3-Mile Radius**

**Average Household Income of
\$60,519 Within a 3-Mile Radius**

MONTGOMERY VILLAGE AVE.
Lake Whetstone

WATKINS MILL
TOWN CENTER



124

LAKEFOREST
MALL

34,658 CPD

DOCENA DR.



TRADER JOE'S **MART** **Dollar TREE**

Marshalls **cricket wireless** **HARBOR FREIGHT TOOLS**

VICTORIA'S SECRET **Payless SHOESOURCE** **macy's** **GNC LIVE WELL**

T-Mobile **Sprint** **DQ** **Foot Locker**

GYMBOREE. **BEST BUY** **sears**



SUNRISE AT MONTGOMERY VILLAGE SENIOR LIVING

MONTGOMERY VILLAGE AVE. 34,658 CPD

MEDICAL PLAZA



Bank of America

MONTGOMERY VILLAGE CARE



MONTGOMERY VILLAGE MIDDLE SCHOOL

GLOBAL FOOD



THE VILLAGE PHARMACY



19100 Montgomery Village Avenue

STEDWICK RD.

Tenant Overview

CVS PHARMACY PROFILE

Investment Grade Credit, CVS (NYSE: CVS), S&P Rated “BBB+”, Outlook Stable

CVS Health Corporation, together with its subsidiaries, provides integrated pharmacy health care services in the United States. The company operates through Pharmacy Services and Retail Pharmacy segments. The Pharmacy Services segment offers pharmacy benefit management services, such as plan design and administration, formulary management, discounted drug purchase arrangements, Medicare Part D services, mail order and specialty pharmacy services, retail pharmacy network management services, prescription management systems, clinical services, disease management, and medical spend management services. It serves employers, insurance companies, unions, government employee groups, managed care organizations and other sponsors of health benefit plans, and individuals under the CVS Caremark Pharmacy Services, Caremark, CVS Caremark, CarePlus CVS/ pharmacy, RxAmerica, Accordant, SilverScript, and Novologix names. The Retail Pharmacy segment sells prescription drugs, over-the-counter drugs, beauty products and cosmetics, seasonal merchandise, greeting cards, and convenience foods, as well as provides photo finishing services. The company also offers infusion and enteral nutrition services.

As of June 30, 2014, it operated 7,705 retail drugstores, 860 health care clinics, 17 onsite pharmacies, 24 retail specialty pharmacy stores, 11 specialty mail order pharmacies, 4 mail service dispensing pharmacies, and 84 branches, as well as 6 centers of excellence for infusion and enteral services. The company was formerly known as CVS Caremark Corporation and changed its name to CVS Health Corporation in September 2014.

CVS Health Corporation (CVS) - NYSE

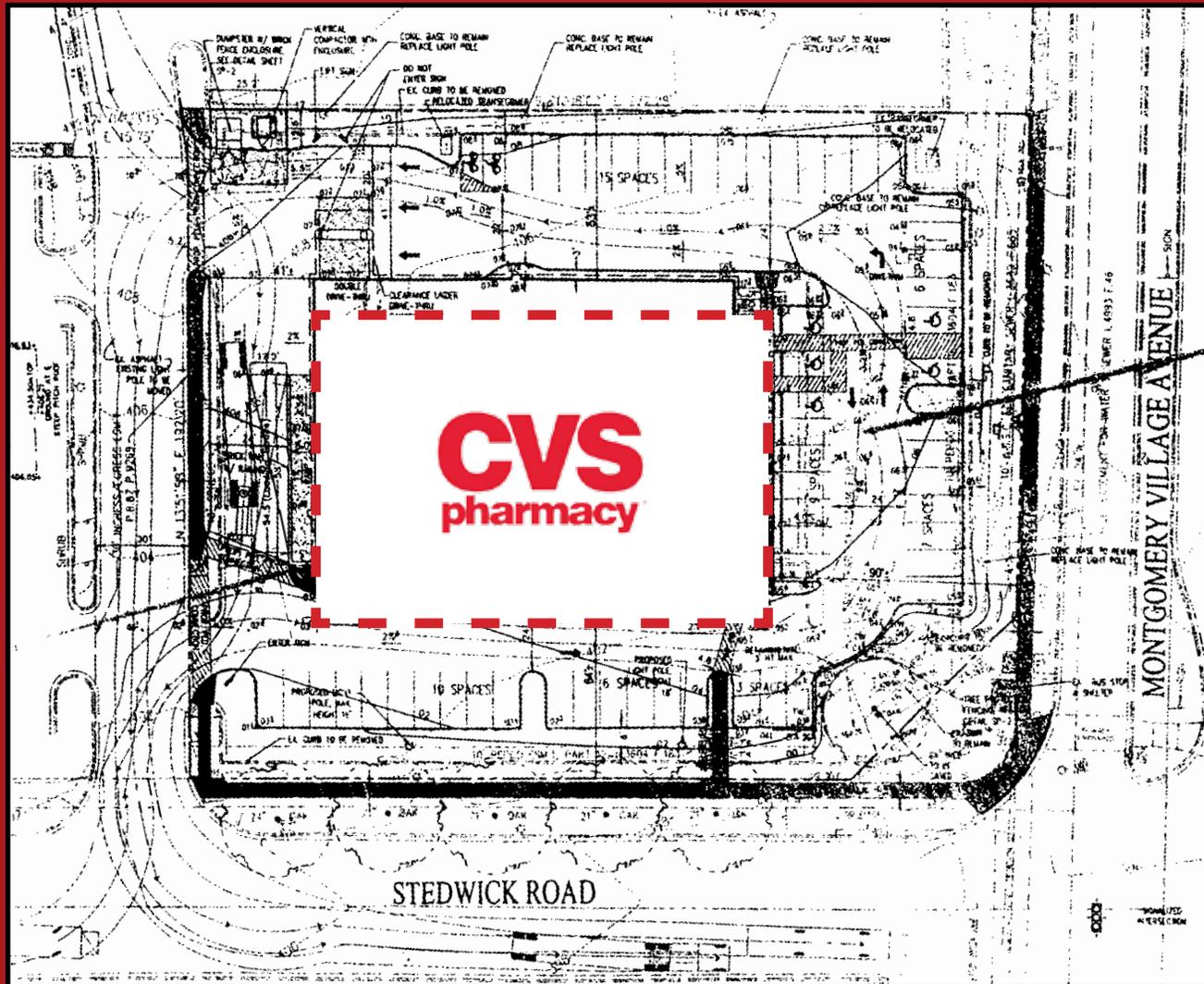
Tenant	CVS Health Corporation
Ownership	Public
Credit Rating	BBB+/Stable
Rating Agency	Standard & Poor’s
Revenue	\$126.761 Billion
No. of Locations	±7,705
No. of Employees	130,000
Headquartered	Woonsocket, RI
Web Site	www.cvshealth.com
Year Founded	1892

***CVS Pharmacy is
the second
largest pharmacy
chain in the
United States
Over
7,705 Stores***

CVS/pharmacy



Site Plan



Colliers International nor the subject property owner make any representations or warranties concerning the above. All information is made to the best of our ability and is subject to further verification

City Overview

City of Gaithersburg

City of Gaithersburg, is a city in Montgomery County, Maryland, United States. At the time of the 2010 census, Gaithersburg had a population of 59,933, making it the fourth largest incorporated city in the state, behind Baltimore, Frederick, and Rockville. Gaithersburg is located to the northwest of Washington, D.C., and is considered a suburb and a primary city within the Washington–Arlington–Alexandria, DC–VA–MD–WV Metropolitan Statistical Area. Gaithersburg was incorporated as a town in 1878 and as a city in 1968.



Gaithersburg is divided into east and west sections, separated by Interstate 270. The eastern section of the city is older and is the original portion of the town before more recent growth. Landmarks and buildings from that time can still be seen in many places but especially in the historic central business district of Gaithersburg called “Olde Towne”. The east side also includes Lakeforest Mall, City Hall, and the Montgomery County Fair grounds. The west side of the city has many wealthier neighborhoods that were designed with smart growth techniques and embrace New Urbanism. These include the award-winning Kentlands community, the Lakelands community, and the Washingtonian Center (better known as The Rio), a popular shopping/business district. Two New Urbanism communities are under construction, including Watkins Mill Town Center (Casey East and West), and the massive “Science City”. The state has a bus rapid transit line, Corridor Cities Transitway or “CCT”, planned for the western portion of the city starting at Shady Grove Metro Station and connecting all the high density western Gaithersburg neighborhoods with a total of eight stops planned in the city.

The National Institute of Standards and Technology (NIST) is headquartered in Gaithersburg directly west of I-270. Other major employers in the city include IBM, Lockheed Martin Information Systems and Global Services business area headquarters, MedImmune (a wholly owned subsidiary of AstraZeneca), and the French multinational corporation, Sodexo. Gaithersburg is also the location of the garrison of the U.S. Army Reserve’s 220th Military Police Brigade.

Gaithersburg is noted for its ethnic and economic diversity; WalletHub in 2016 ranked it first among the 313 largest U.S. cities for ethnic diversity and second for social class diversity.

Demographics



POPULATION

	1-MILE	3-MILE	5-MILE
Estimated Population (2016)	26,172	139,722	276,377
Projected Population (2021)	27,658	148,014	292,529



HOUSEHOLDS

	1-MILE	3-MILE	5-MILE
Estimated Households (2016)	9,758	48,079	97,897
Projected Households (2021)	10,288	50,907	103,533



INCOME

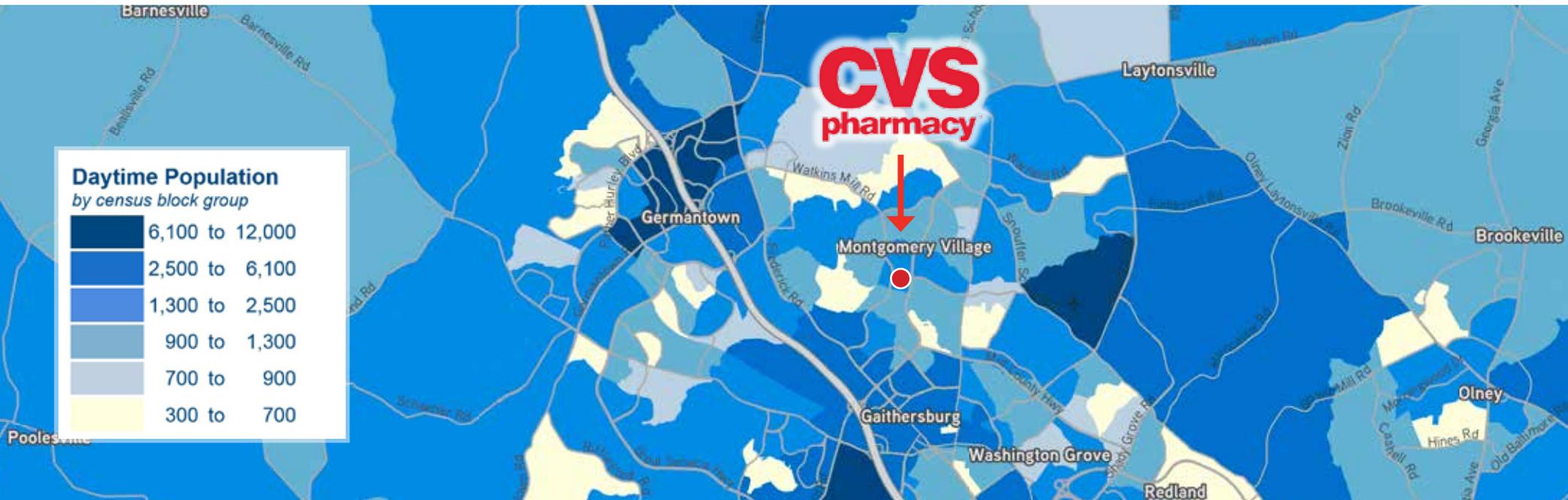
	1-MILE	3-MILE	5-MILE
Avg. Household Income (2016)	\$89,410	\$95,606	\$111,551
Median Household Income (2016)	\$71,518	\$75,204	\$88,941



BUSINESS FACTS

	1-MILE	3-MILE	5-MILE
Total # of Businesses (2016)	605	4,970	11,423
Total # of Employees (2016)	4,281	63,107	146,111

DAYTIME POPULATION MAP



Confidentiality Agreement

CVS/pharmacy

This Offering Memorandum contains select information pertaining to the business and affairs of CVS, Gaithersburg, MD. It has been prepared by Colliers International. This 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 Colliers International. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents 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 and conduct their own due diligence.

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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.

Owner and Colliers International 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 CVS, Gaithersburg, MD 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 Colliers International 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.

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