



CVS PHARMACY

Zero Cash Flow Investment

31 METAMORA RD.
BROOKVILLE, IN 47012
FRANKLIN COUNTY
±13,281-SF CVS PHARMACY

sand capital

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OFFERED EXCLUSIVELY BY

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PURCHASE PRICE

\$3,500,000

CURRENT DEBT AMOUNT

\$2,267,893 (FEBRUARY 2024)

ESTIMATED EQUITY REQUIREMENT

\$1,232,106

LOAN TERMS

- 4.163% FIXED
- ±13.5-YEAR FULLY AMORTIZING
- INCLUDES PAYDOWN/READVANCE FEATURE

INVESTMENT OVERVIEW

HIGHLIGHTS

- **Triple-Net (NNN)**
Absolutely zero landlord responsibilities. Tenant responsible for all maintenance and repair, including roof and structure.
- **Strong Credit Tenant**
CVS has investment-grade credit and strong financials. (CVS Health) S&P: BBB; NYSE: CVS
- **Long-Term Lease**
±17-year lease with 10 five-year extensions
- **Zero Cash Flow Financing**
Assumable self-amortizing financing with below-market fixed 4.163% interest rate.
- **Debt Structure**
Requires limited equity investment and can generate passive losses that work to offset taxable income from other investments.
- **Paydown/Readvance**
Structure allows for low equity contributions with high long-term return on initial investment and allows withdrawal of money over and above percentage over the debt.



LEASE ABSTRACT

GUARANTOR	CVS Caremark Corporation
ADDRESS	31 Metamora Rd. Brookville, IN 47012
STORE NUMBER	06784
LAND OWNERSHIP	Fee
PROPERTY TYPE	Freestanding Retail
LAND	±1.55 Acres
BUILDING SIZE	13,281 Square Feet
YEAR BUILT	2013
ANNUAL RENT	\$231,844
LEASE COMMENCEMENT	July 24, 2014
LEASE EXPIRATION	January 31, 2040

LEASE TERM REMAINING	Approximately 17 years
PRIMARY LEASE TERM	25 years
OPTIONS	10 five-year extensions: 2 fixed rate at 90% current rent 8 variable rate at fair market value
INCREASES	None
LANDLORD RESPONSIBILITIES	None
UTILITIES	Tenant Responsibility
REPAIR AND/OR MAINTENANCE OF ROOF, STRUCTURE, AND PARKING LOT	Tenant Responsibility
TAXES	Tenant Responsibility
INSURANCE	Tenant Responsibility

LOCATION



MARKET DEMOGRAPHICS

BROOKVILLE, IN

1 MILE 3 MILES 5 MILES

POPULATION

2023	2,430	3,915	6,201
2028	2,416	3,879	6,155

HOUSEHOLDS

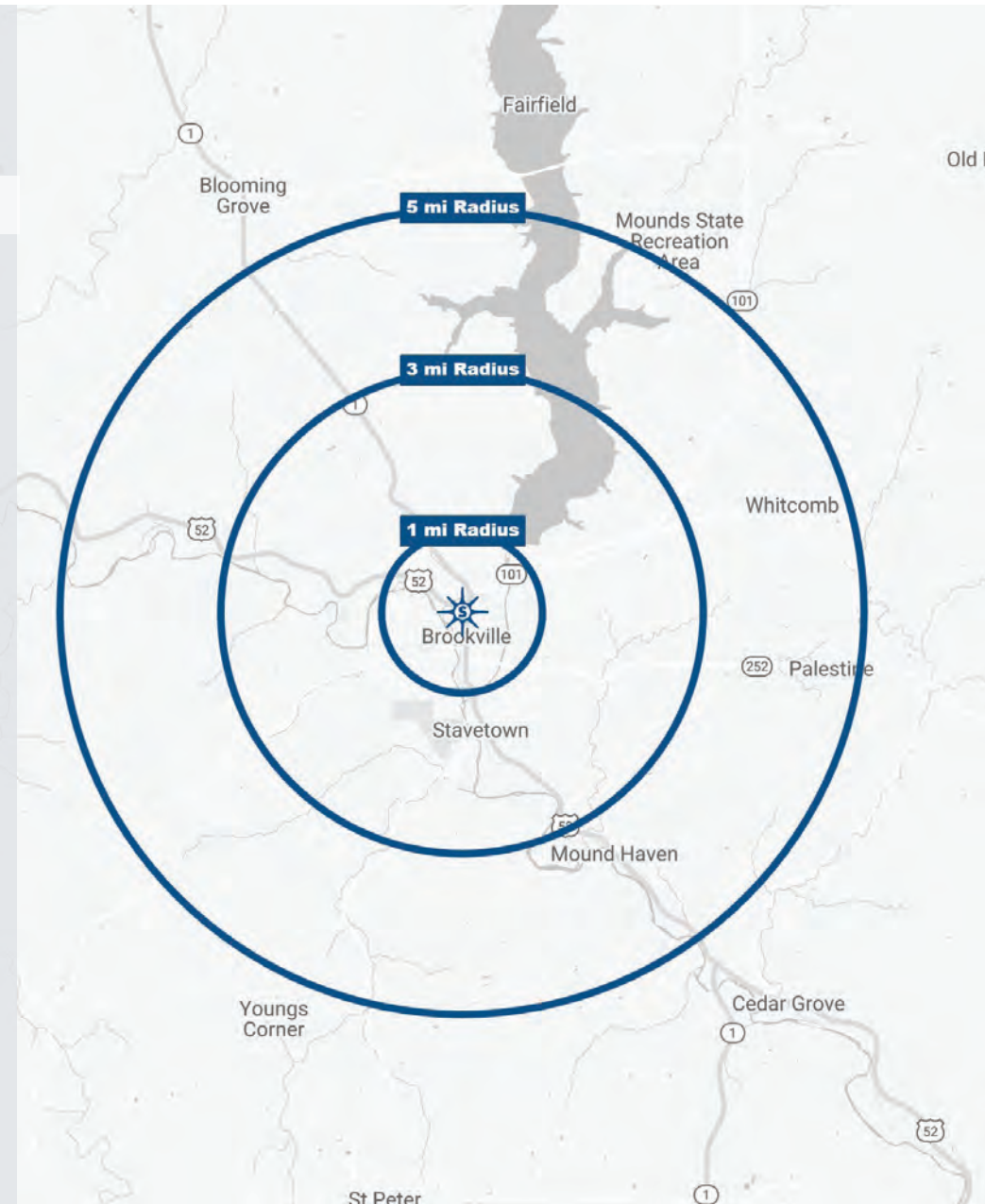
2023	1,071	1,677	2,547
2028	1,066	1,664	2,531

AVERAGE HOUSEHOLD INCOME

2023	\$68,363	\$77,728	\$89,916
2028	\$68,616	\$79,950	\$93,158

DAYTIME POPULATION

2023	2,857	4,061	5,019
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CVS HEALTH CORPORATION	
NUMBER OF LOCATIONS	9,967
CREDIT RATING	BBB/Stable (S&P)
STOCK SYMBOL	NYSE: CVS
TOTAL REVENUE	\$292.1 Billion
MARKET CAP	\$136.17 Billion
TENANT BUSINESS	Retail/Pharmacy
HEADQUARTERS	Woonsocket, RI
WEBSITE	cvshealth.com

CVS HEALTH

CVS Health Corporation (NYSE: CVS) operates retail pharmacy and pharmacy benefit management businesses in the United States. The company offers prescription drugs, general merchandise, including over-the-counter drugs, beauty products and cosmetics, seasonal merchandise, greeting cards, convenience foods, and film and photofinishing services.

It sells its products through CVS or CVS Pharmacy retail stores, as well as through online retail website CVS.com. The company also offers pharmacy benefit management services, including mail order pharmacy, specialty pharmacy, plan, design, and administration, formulary management, and claims processing services. As of December 31, 2021, it operated 9,967 retail drugstores and 1,104 health care clinics. The company was formerly known as CVS Caremark Corporation and changed its name to CVS Health Corporation in September 2014. CVS Health Corporation was founded in 1892 and is headquartered in Woonsocket, Rhode Island.

On December 31, 2021, CVS Health Corporation reported total revenue of \$292.1 billion, net income of \$7.89 billion, and a market cap of \$136.17 billion. CVS currently holds a Standard & Poor's credit rating of BBB/Stable.

TENANT OVERVIEW



LOAN ABSTRACT

ORIGINAL LOAN BALANCE	\$3,337,005
CURRENT LOAN BALANCE	\$2,267,893 as of February 2024
INTEREST RATE	4.163% fixed
MATURITY	August 10, 2036
LOAN AMORTIZATION	22 years
REMAINING LOAN TERM	±13.5-year fully amortizing
COLLATERAL	Non-recourse subject to typical carve-outs
ASSUMPTION FEE	Dependent upon purchase structure
PREPAYMENT	Defeasance
PRICE	\$3,500,000
CURRENT EQUITY REQUIREMENT	\$1,232,106

PAYDOWN/READVANCE

Paydown/Readvance Example (All Equity Trade)

- Sale Proceeds to Place in 1031 - \$3,500,000
- Purchase Brookville CVS - \$3,500,000
- Equity Requirement - \$1,232,106
- Loan Balance - \$2,267,893
- Buyer PDRA Costs/Fees - \$30,000
- **Equity Pulled out of Exchange Tax-Free - \$2,237,893**

Buyer has completed exchange, owns a brand-new CVS which is rapidly building equity, and pulled out over \$2.2 MM in equity tax-free!

PURCHASING A ZERO

ZERO CASH FLOW PURCHASE
VS. CASH PURCHASE



EXCEPTIONAL OPPORTUNITY TO ACQUIRE NEW CVS ZERO CASH FLOW PROPERTIES
FROM THE RECENT CVS SALE-LEASEBACK PORTFOLIO

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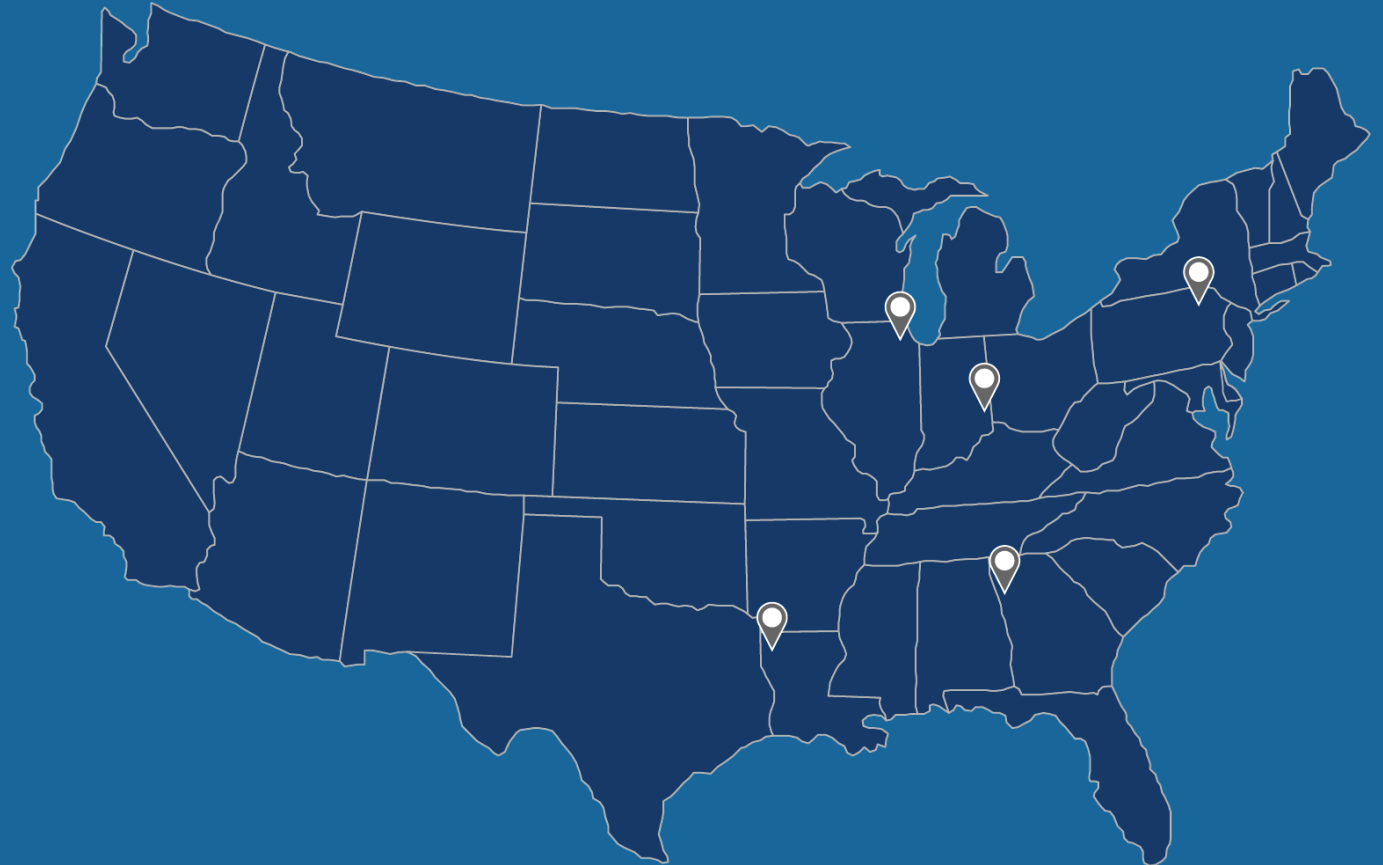
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CVS ZERO CASH FLOW AVAILABLE PROPERTIES LOCATIONS

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