



Single-Tenant Net Lease Offering | CVS

15.7 years of firm term | CVS Health Co. Guaranty (S&P: BBB)



2506 NILES AVENUE, ST. JOSEPH, MI 49085



Single-Tenant Net Leased CVS

The Offering

Newmark, as an exclusive advisor, is pleased to present the opportunity to acquire a single-tenant, net leased CVS Pharmacy in St. Joseph, MI.

\$4,821,000

ASKING PRICE

6.75%

CAP RATE

NN

LEASE STRUCTURE

15.7 Years

LEASE TERM REMAINING

Fee Simple

OWNERSHIP INTEREST



Net Lease Capital Markets

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Investment Highlights

CVS HEALTH CORPORATION (NYSE: CVS) | INVESTMENT GRADE CREDIT (S&P: BBB) | \$372.8 BILLION (DEC-2024) | 9,395 RETAIL STORE LOCATIONS ACROSS THE U.S.

CVS is the nation's largest drugstore chain with over **9,395 retail store locations across the U.S.** CVS is a publicly traded company and trades on the **NYSE under the ticker CVS**. For the fiscal year ending December 2024, CVS Health Corporation generated **revenues of approximately \$372.8 billion (Dec-2024)**.

15.7 YEARS OF FIRM TERM REMAINING | 2015 CONSTRUCTION | FIXED RENTAL INCREASES AT EACH OPTION (SEE RR ON PG. 12) | NN LEASE WITH MINIMAL LANDLORD RESPONSIBILITIES

CVS executed a twenty-five (25) year base term at this location in 2015. The lease commenced October 4, 2015, and there are currently **15.7 years of firm term remaining**. **CVS has fixed rental increases (see RR on pg. 12) at each of their 3 (5-Year) options**. The **first rental increase is scheduled for February 1, 2041**. The lease is NN with landlord responsibilities limited to Roof, structure, foundation, floor slab, exterior walls, exterior utility lines. This investment is ideal for both local and out-of-state investors seeking a **stable, long-term, and passive net-lease investment**.

HIGHLY VISIBLE & EASILY ACCESSIBLE LOCATION | HIGH TRAFFIC RETAIL CORRIDOR ALONG HWY 63 / NILES AVE. 15,166 VPD | LOCATED AT THE SIGNALIZED INTERSECTION OF NAPIER AVE & HWY 63 (26,635 VPD) | 0.28 MILES WEST OF THE 596 BED COREWELL HEALTH LAKELAND HOSPITALS - ST. JOSEPH HOSPITAL & LAKELAND MEDICAL CENTER - EMERGENCY ROOM COMPLEX

The subject property is **highly visible and easily accessible** along **Hwy 63 / Niles Ave. 15,166 VPD** the main north/south highway connecting St. Joseph and Benton Harbor and features **two (2) curb cuts** along Hwy 63, making it accessible to both northbound and southbound traffic via a direct right turn or dedicated left turn lane. Strategically located at the signalized intersection of Napier Ave & Hwy 63 (26,635 VPD), the subject property is **located 0.28 miles west of the of the 596 bed Corewall Health Lake Hospitals - St. Joseph Hospital and Lakeland Medical Center - Emergency Room complex**.

DENSE & STABLE DEMOGRAPHICS (49,297 RESIDENTS WITH AN AVERAGE HOUSEHOLD INCOME OF \$83,014 WITHIN 5 MILES) | "RIVIERA OF THE MIDWEST" LOCATION | DENSE RETAIL CORRIDOR ALONG HWY 63 / NILES AVE. 15,166 VPD | 0.8 MILES FROM WHIRLPOOL CORPORATION'S ST. JOSEPH MANUFACTURING FACILITY, WHICH IS THE LARGEST EMPLOYER (~4,000 EMPLOYEES) IN ST. JOSEPH

There are **49,297 residents with an average household income of \$83,014 within 5 miles of the subject property**. The subject property is located in the **"Riviera of the Midwest"** as St. Joseph, MI is home to **two popular summertime beaches (Silver Beach & Lions Park Beach)** which draw a large number of summertime visitors from numerous surrounding Midwestern cities. CVS is located on Hwy 63, the main retail corridor featuring retailers such as Ace Hardware, Martin's Super Market, Dino's Restaurant & Pancake House, Papa Vito's Italian Kitchen, Taco Bell, UPS Store, Starbucks, Shell, Citgo, AutoZone, Verizon, Dairy Queen, Buffalo Wild Wings, Burger King, Chemical Bank, McDonald's, Wendy's, Family Dollar, Dunkin', and adjacent to the John & Dede Howard Ice Arena. **The subject property is 0.8 miles west of Whirlpool Corporation's St. Joseph manufacturing facility, which is the largest employer in St. Joseph.**



Investment Overview

Price/Cap Rate

Price (PSF)	\$4,821,000 (\$359)
Cap Rate	6.75%
Annual Base Rent	\$325,395 (\$24.26 PSF)

Executive Summary

Address	2506 Niles Avenue, St. Joseph, MI 49085
Tenant	CVS Pharmacy
Guarantor	CVS Health Corporation
Use	Retail
Rentable Building Area (SF)	13,413
Acreage	2.48 Acres
Expense Structure	NN
Rent Increases	See Rent Roll on pg. 9
Rent Commencement Date	October 4, 2015
Lease Expiration Date	January 31, 2041
Initial Term	Twenty-Five (25) Years
Lease Term Remaining	15.7 Years Remaining
Ownership Interest	Fee Simple (Land & Building Ownership)





Corewell Health
596 Beds



NAPIER AVE. (111,469 VPD)

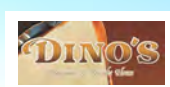
NILES AVE. (163,166 VPD)



Silver Beach

Lions Park Beach

St Joseph



NILES AVE. (15,166 VPD)

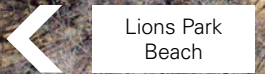
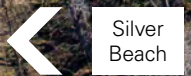
NAPER AVE. (11,469 VPD)





NAPER AVE. (11,439 VPD)

NILES AVE. (15,163 VPD)





Whirlpool
CORPORATION
~4,000 Employees

Silver
Beach

Lions Park
Beach



NAPIER AVE. (11,469 VPD)



MILES AVE. (12,166 VPD)



The Investment



Lease Abstract & Property Details

Property Overview

Rentable Building Area (SF)	13,413
Acreage	2.48
Year Built/Renovated	2015
Parcel(s)	76-3000-0002-00-8, 76-3000-0004-00-1, 76-3000-0001-00-1

Lease Abstract

Address	2506 Niles Avenue, St. Joseph, MI 49085
Tenant Trade Name	CVS Pharmacy
Lease Entity	CVS Health Corporation
Credit Rating	CVS Health Corporation (S&P: BBB)
Rent Commencement Date	October 4, 2015
Lease Expiration Date	January 31, 2041
Lease Term Remaining	15.7 Years Remaining
Renewal Options	3 (5-Year)
Annual Rent (PSF)	\$325,395 (\$24.26 PSF)
Percentage Rent	None
Rent Increases	See Rent Schedule
Lease Structure	NN
Landlord Responsibilities	Roof, structure, foundation, floor slab, exterior walls, exterior utility lines
Utilities	Tenant Responsibility
Taxes	Tenant Responsibility
CAM	Tenant Responsibility
HVAC	Tenant Responsibility
Insurance	Tenant Responsibility
ROFR	None
Financial Reporting	None

Rent Schedule

Rent Period	Annual Rent	PSF	Monthly Rent	PSF	% Increase
10/4/2015 - 1/31/2041	\$325,395	\$24.26	\$27,116	\$2.02	-
Option 1: 2/1/2041- 1/31/2046	\$337,238	\$25.14	\$28,103	\$2.10	3.64%
Option 2: 2/1/2046- 1/31/2051	\$350,463	\$26.13	\$29,205	\$2.18	3.92%
Option 3: 2/1/2051- 1/31/2056	\$363,688	\$27.11	\$30,307	\$2.26	3.77%
Bold = Current Rent					

Market Overview - St. Joseph, MI

St. Joseph, MI:

St. Joseph, colloquially known as St. Joe, is a city and the county seat of Berrien County, Michigan. St. Joe is a charming city located along the eastern shore of Lake Michigan. Known for its beautiful beaches, vibrant community, and historical significance, St. Joseph offers a peaceful small-town atmosphere with the benefits of picturesque natural surroundings.

Key Highlights:

- Located in Berrien County, St. Joseph is often referred to as the **“Riviera of the Midwest” due to its scenic beaches and natural beauty**
- Historically rich, with a well-preserved downtown area featuring art galleries, boutique shops, and diverse dining options

Major Attractions:

- **Silver Beach County Park:** A popular family-friendly beach offering swimming, picnicking, and a playground
- **Krasl Art Center:** A cultural hub showcasing contemporary art and offering community art classes and events
- **Whirlpool Centennial Park:** Features a splash pad, sculptures, and a whirlpool fountain, celebrating the company's impact on the community

Top Five (5) largest employers in the city of St. Joseph, MI:

- **Whirlpool Corporation (~4,000 Employees)**
- **Spectrum Health Lakeland (~3,500 Employees)**
- St. Joseph Public Schools (~500 Employees)
- Martin's Super Markets (~400 Employees)
- The Boulevard Inn & Bistro (~200 Employees)

Economic Overview:

The St. Joseph's economy is anchored by the Whirlpool Corporation (~4,000 employees) and Spectrum Health Lakeland (~3,500 Employees), both of which play a significant role in the community and broader economy. **Corewell Health Lakeland Hospitals - St. Joseph Hospital (251 beds), Lakeland Medical Center - Emergency Room (345 beds), and Corewell Health Care Center - Royalton (96 beds), and Lakeland Hospital (196 beds)** are the premier medical facilities in the region and some of the cities largest employers. The city's blend of natural beauty, cultural attractions, and economic stability makes it an attractive place to live and vacations especially in the summer.

Demographics	1 Mile	3 Mile	5 Mile
2024 Population	5,584	30,688	49,297
2024 Households	2,834	13,180	20,582
2024 Avg. Household Income	\$99,324	\$80,878	\$83,014



Tenant Synopsis

Tenant Synopsis

CVS Health Corporation (S&P: BBB) is the nation's largest drugstore chain with over 9,395 retail locations and more than 300,000 employees.

CVS Pharmacy sells prescription drugs, over-the-counter medication, beauty products, photo finishing services, convenience foods, personal care products and seasonal merchandise. Additionally, CVS provides healthcare services at over 867 locations through MinuteClinics that are staffed by practitioners who specialize in family health care. The MinuteClinics conduct long-term care pharmacy operations, distribute prescription drugs, and provide related pharmacy consulting services.

CVS Financials: (Source: finance.yahoo.com)

- Total Revenue: \$372.8 Billion (Dec-2024)
- EBITDA: \$13.7 Billion (Dec-2024)
- Free Cash Flow: \$6.33 (Dec-2024)
- Total Assets: \$253.2 Billion (Dec-2024)



YEAR FOUNDED
1963



COMPANY TYPE
Public (NYSE: CVS)



HEADQUARTERS
Woonsocket, RI



WEBSITE
CVS.com



LOCATIONS
9,395 in the U.S.



S&P CREDIT RATING
S&P: BBB

CVS

Trade Name	CVS
Credit Rating	S&P: BBB / Outlook: Negative
Number of Locations	9,395 across the U.S.
Geographic Dispersion	Worldwide
Total Revenue	\$372.8 Billion
EBITDA	\$13.7 Billion
Website	www.cvs.com





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