

CVS

44430 Challenger Way (Avenue J), Lancaster, CA 93535



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Connor Shell
Managing Director
407 913 9009
Connor@stream-cp.com
Lic: CA - #02054664

Dorothy Lee, CCIM
Vice President
626 236 3823
Dorothy@stream-cp.com
Lic: 01982397

Broker of Record: Connor Shell, Lic. #CA - #02054664

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TRANSACTION SUMMARY



Purchase Price
\$5,326,917



Cap Rate
6.65%



Annual Rent
\$354,240

Lease Details

Tenant: CVS

Lease Type: NNN

Landlord Responsibilities: Roof and Structure

Tenant Responsibilities: Property tax*, insurance, and all other maintenance

Lease Term: 20 years

Remaining Term: 9+ years

Rent Commencement Date: 5/30/2013

Lease Expiration Date: 1/31/2034

Rent Increases: 10% in first Option

Options to Renew: 4, 5-year options

*Please contact Listing Agent to discuss Property Taxes in the event of a future sale.

Property Specifications

Address: 44430 Challenger Way
Lancaster, CA 93535

Building Size: 15,251

Land Size: 1.24 Acres



COMMITMENT: CVS executed a Long Term 20-year NNN Lease through January 2034 with more than 9 years remaining.

WELL POSITIONED: This single-tenant CVS with Drive Thru is well located within a strong retail corridor off Avenue J with vehicles exceeding 21,900 per day.

AIR FORCE BASE: Near Edwards Air Force Base and various defense companies (Northrop Grumman, Clancy JG International, Machfinish, etc). The total number of people at Edwards Air Force Base in California is over 10,000, including military, federal civilian, and contract personnel.

INVESTMENT GRADE TENANT: CVS has a BBB credit rating from S&P, signaling stability in the Pharmacy market.

STRONG DEMOGRAPHICS: Rapidly growing population of 141,000 in a 5-mile radius

NEARBY DEVELOPMENT: State-of-the-art, 700,000 sq. ft. Antelope Valley Hospital is set to open just 3 miles from the site, with a projected completion date in 2026.

AREA MAP



AERIAL



BUILDING IMAGES



REGIONAL MAP

3-MILE RADIUS DEMOGRAPHICS

104,604

Area Population

31,266

Total Households

\$68,146

Average Household Income

5-MILE RADIUS DEMOGRAPHICS

141,893

Area Population

43,813

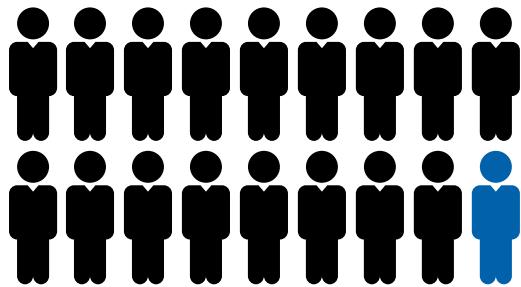
Total Households

\$79,791

Average Household Income



MARKET SNAPSHOT



Lancaster, CA is located within the Antelope Valley, northern Los Angeles County, California. The population of the Antelope Valley is over 542,000 people. The Antelope Valley's two largest cities, Palmdale and Lancaster, are the economic drivers of the area. **The population of the Antelope Valley has increased by 40.3% since 2000.**

Aviation and aerospace continue to be an important aspect of the area's economy, much of it centered at Palmdale's Air Force Plant 42, birthplace of the Space Shuttle. Edwards Air Force Base, the nation's premier flight test facility, is in nearby Kern County. Boeing, Northrop Grumman, and Lockheed Martin all have a significant presence in the Antelope Valley as do many of their suppliers and subcontractors. **The aerospace industry employs nearly 30,000 civilian and military personnel, with a payroll that tops \$1 billion annually.**

The Lancaster JetHawks Minor League baseball organization has been an invaluable asset to the Antelope Valley for nearly twenty years. After the loss with the downsizing, Lancaster approved a request to spend \$10 million on alterations to The Hangar, the former home of the Lancaster JetHawks. The Stadium will convert a former Minor League Baseball ballpark into a soccer stadium bringing a USL League One franchise to the Antelope Valley in 2025.

In the northern reaches of Los Angeles County, **about an hour out of Downtown L.A.**, you can find the fast-growing high desert cities of Lancaster, Palmdale, and their surrounding communities, which encompass more than 1,000 square miles.

Antelope Valley is very diversified. Available & affordable land, an educated workforce, pro-business local government, and easy access via State Route 14 (Antelope Valley Freeway) have made the area **home to over 13,000 businesses.**



Two main hospitals, Antelope Valley Hospital and Palmdale Regional Medical Center, provide myriad health care services for the region. Antelope Valley Medical Center is the only full-service, acute-care hospital in the Antelope Valley and it serves as a significant economic engine in the community with over 2,600 employees, 450+ volunteers, and more than 550 physicians on staff who represent 66 different specialties. **As the region's largest and most comprehensive hospital, Antelope Valley Medical Center provides care to over 220,000 patients every year.**



CVS Health, (www.cvshealth.com), is a pharmacy innovation company helping people on their path to better health. CVS Pharmacy is currently the largest pharmacy chain in the United States with more than 9,900 retail locations, 1,200+ walk-in medical clinics, and more than 300k employees in all 50 states, Washington D.C. and Puerto Rico.

CVS provides healthcare services to more than 50 million patients through its MinuteClinic medical clinics, Diabetes Care Centers, and a dedicated senior pharmacy care business serving more than one million patients per year. The company enables people, businesses, and communities to manage health in a more affordable and effective way through their health services, plans and community pharmacists. Making quality care more affordable, accessible, simple and seamless, to not only help people get well, but help them stay well in body, mind and spirit. 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.



CVS Health is accelerating a plan to fill more than 50,000 full-time and part-time positions across the country.



9,900+

retail locations in 49 states, the District of Columbia and Puerto Rico



4.5M

customers served by CVS Pharmacy stores daily



Approximately
1,100

MinuteClinic locations



Approximately
300K

colleagues across all 50 states, Washington, D.C. and Puerto Rico



2.5B

prescriptions managed or filled



50M

patient visits to the MinuteClinic



EXCLUSIVELY LISTED BY:

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4201 West Irving Park Road, Suite 200, Chicago IL
www.stream-cp.com

