

\$8,829,251

PRICE

\$2,240,258 (34%)

EQUITY



FEDERAL WAY, WA (SEATTLE MSA)

CVS Zero Cash Flow

HEAVILY TRAFFICKED INTERSECTION –
47,000+ VPD

AFFLUENT SEATTLE SUBMARKET – \$118,000
AVERAGE HOUSEHOLD INCOMES



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CVS Zero Cash Flow

33520 21ST AVE SW, FEDERAL WAY, WA 98023 

\$8,829,251

PRICE

34%

% OVER DEBT

EQUITY	\$2,240,258
LEASE TYPE	Absolute NNN
PRIMARY TERM	25.2 Years
BUILDING SIZE	12,900 SF
LAND AREA	1.19 AC
YEAR BUILT	2018



Signalized hard corner location in affluent Seattle submarket

A CVS Zero Cash Flow asset with 19+ years remaining in the base term of an absolute net lease. Subject property is located in **Federal Way** – **an affluent Seattle suburb** boasting average household incomes of \$118,000 within a 1-mile radius.



The Offering

- 19+ years remaining on absolute net lease
- Zero cash flow lease structure (see Page 5)
- Corporate guaranty from CVS Health Corporation (see below)
- 2018 build-to-suit construction at signalized hard corner
- Heavily trafficked intersection – 47,000+ VPD

About The Guarantor

- Largest pharmacy chain in the U.S. – 9,000+ locations nationwide
- 2024 revenue totaled \$372.8 billion, a 4.2% increase over the previous year
- Investment grade credit rating – S&P: BBB+
- Recently completed an \$8 billion acquisition of Signify Health in March 2023 and a \$10.6 billion acquisition of Oak Street Health in May 2023

Market Highlights

- Affluent residential submarket – \$118,000 average household incomes within a 1-mile radius of the subject property
- Family-friendly market that provides a natural customer base – over 65% of households are families and ~30% of households have children
- Nearby national retailers driving traffic to the direct trade area include Walmart, Home Depot, Costco, and Fred Meyer (top 12% grocery store nationwide in terms of annual visits per Placer.ai)

Zero Cash Flow Key Advantages

Unlocking the Upside of Zero Cash Flow Assets

- **Absolute Net Lease** – No landlord expense/maintenance obligations.
- **Depreciation Deduction** – Qualified investors can depreciate the asset allowing them to potentially offset other passive income, reducing overall taxable income.
- **Cap Gains / Basis Step-Up Upon Exit** – If investor holds until loan maturity, the debt self-liquidates and any appreciation may be realized with potential capital gains tax treatment instead of ordinary income. If the property is part of an estate upon death, it could receive a step-up in basis, potentially eliminating capital gains taxes.
- **Use in 1031 or 721 Exchanges** – Zero cash flow properties are often used in 1031 exchanges to defer capital gains taxes. They are also sometimes used as part of 721 exchanges when converting real estate into REIT units, giving investors liquidity and continued tax deferral.
- **Predictable Structure for Estate Planning** – Because income and debt service are fixed and predictable, zero cash flow properties can be useful for estate and succession planning, allowing clean asset transfer with clear future value projections.

Note: CPP is not qualified to give tax or legal advice. All potential investors should seek independent input from a qualified advisor with expertise in tax, legal, and estate planning matters.



PRICING SUMMARY

Price	\$8,829,251
Equity	\$2,240,258
% Over Debt	34%

PROPERTY SUMMARY

Building Size (SF)	12,900
Land Area (AC)	1.19
Year Built	2018

LEASE SUMMARY

Tenant	CVS
Guarantor	CVS Health Corporation
Lease Type	Absolute NNN
Primary Term	25.2 Years
Term Commencement	10/17/2019
Term Expiration	1/31/2045
Annual Rent	\$542,493
Rent Holiday	3.2 Years (11/10/2041 - 1/31/2045)
Renewal Options	2, 5-Year @ 90% of Primary Term Rent 8, 5-Year @ Fair Market Value

LOAN SUMMARY

Current Mortgage Balance (as of 7/10/2025)	\$6,588,993
Interest Rate	3.86%
Loan Maturity Date	11/10/2041
Term/Amortization	22 Years
Annual Debt Service	\$542,493
Balloon Balance	None (Fully Amortizing)
Recourse	None
Paydown/Readvance	Yes

**Disclaimer**

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the subject property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. CPP and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

Tenant Info		Lease Terms		Rent Summary		
Tenant Name	Sq. Ft.	Term Years		Current Rent	Monthly Rent	Yearly Rent
CVS	12,900	10/17/2019	11/9/2041	\$542,493	\$45,208	\$542,493
		11/10/2041	1/31/2045			<i>Rent Holiday</i>
	Option 1-2	2/1/2045	1/31/2050		\$40,687	\$488,244
	Option 3-8	2/1/2050	1/31/2055			<i>Fair Market Value</i>
TOTALS:		12,900		\$542,493	\$45,208	\$542,493

Site Plan



The Leading Pharmacy Retail Chain in the Nation



\$372.8 Billion

TOTAL REVENUE (FY 2024)

BBB+

S&P RATING



About CVS Pharmacy

- CVS Health Corporation (NYSE: CVS), together with its subsidiaries, stands as a leading force in health innovation
- With a vast network comprising more than 9,000 pharmacy locations, including those in Target and Schnucks grocery stores, CVS Health is committed to deliver innovative, community-based solutions that make health care simpler, more affordable and more accessible for more people
- CVS Pharmacy stores are strategically positioned across 49 states, the District of Columbia, and Puerto Rico

Acquisitions

- CVS Health acquired Aetna, a Hartford, CT-based health insurer, for an investment totaling nearly \$70 billion in 2018
- More recently, in March 2023, it completed the nearly \$8 billion acquisition of Signify Health, which focuses on home health care, and in May 2023, it completed the \$10.6 billion acquisition of primary-care company Oak Street Health

[Tenant Website](#) 

Surrounding Retail





Located in a thriving Seattle-Tacoma submarket

20,994

VEHICLES PER DAY ALONG 21ST AVENUE SW

9.6 miles

TO TACOMA

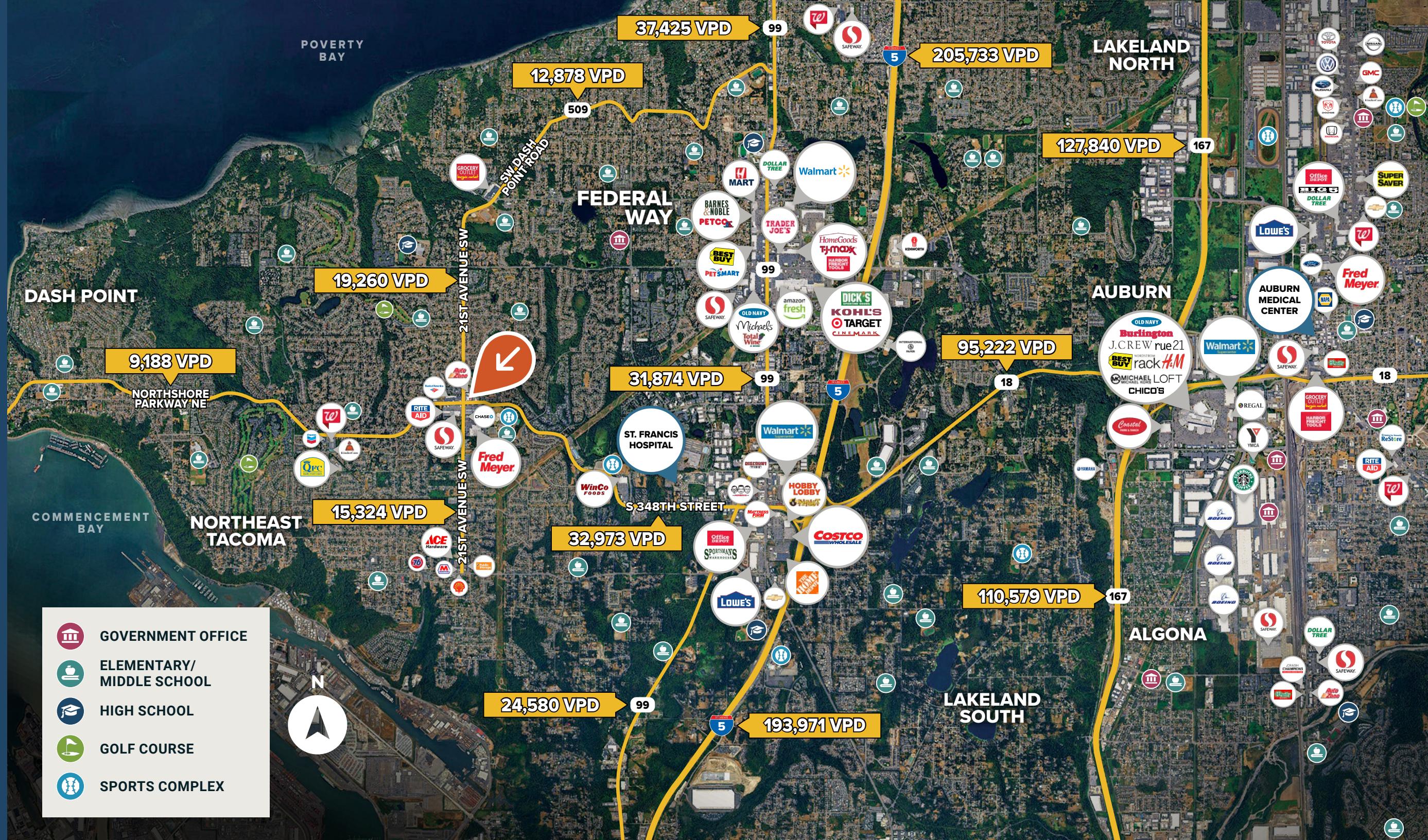
26.7 miles

TO SEATTLE

Immediate Trade Area

A circular icon with a white background and a black border. Inside the circle is a white arrowhead pointing towards the right. To the right of the circle, the word "TACOMA" is written in large, bold, black capital letters. Below "TACOMA", the text "9.6 MILES" is written in a slightly smaller, bold, black capital letters.







Ring Radius Population Data*

	1-MILE	3-MILES	5-MILES
2024	6,932	33,391	63,490
2029 Projection	6,954	33,542	64,062

Ring Radius Income Data*

	1-MILE	3-MILES	5-MILES
Average	\$118,432	\$107,766	\$106,727
Median	\$100,931	\$85,612	\$84,942

*Population & household income data sourced by CoStar

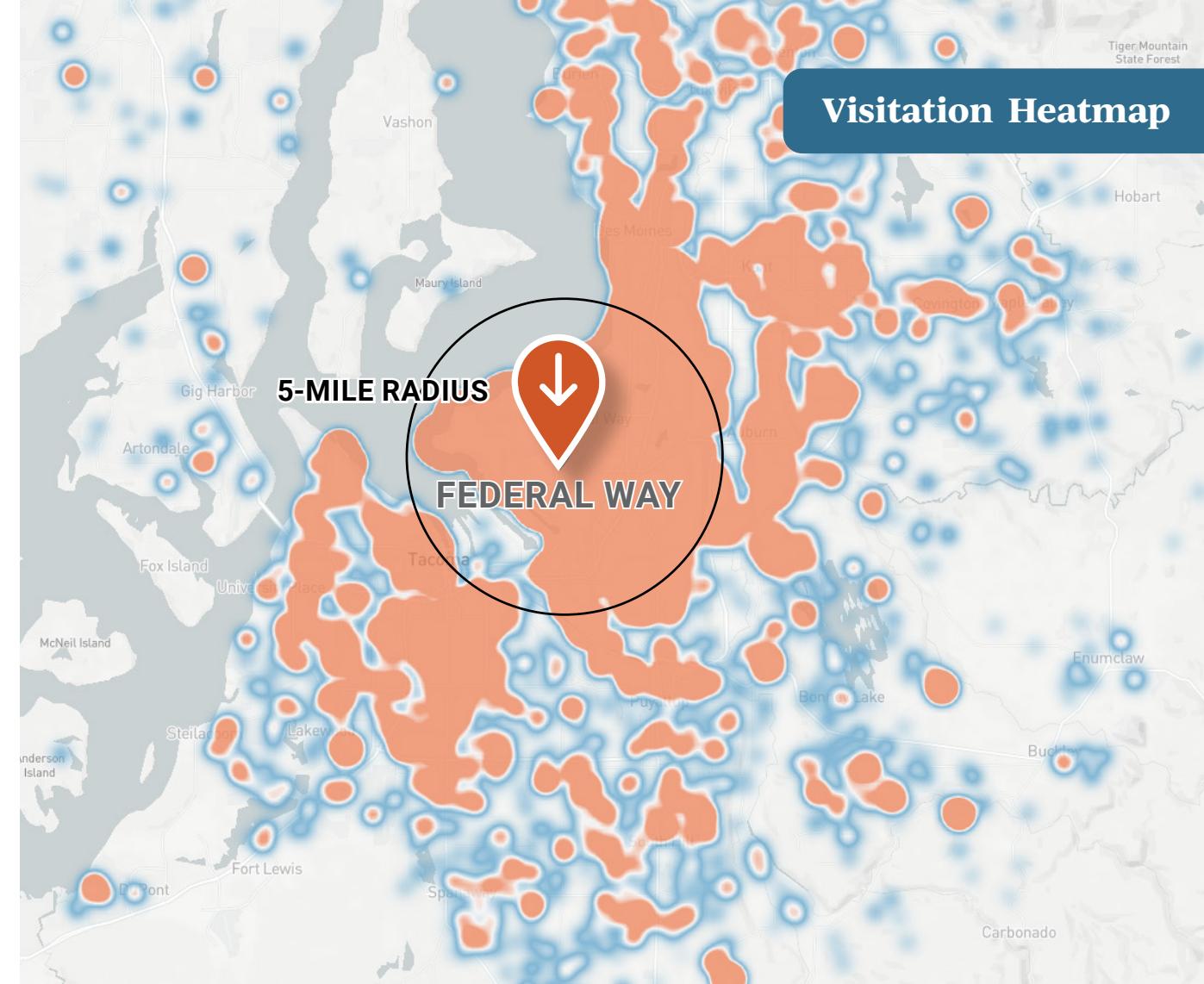
The nearby Fred Meyer is **ranked in the 88th percentile (top 12%) nationwide** based on the number of visits in the past 12 months, driving consistent foot traffic near the subject property

2.1M Visits

OVER PAST 12 MONTHS AT
THE NEARBY FRED MEYER

27 Minutes

AVERAGE DWELL TIME AT
THE NEARBY FRED MEYER

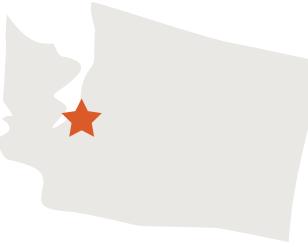


The shading on the map above shows the **home location of people who visited the nearby Fred Meyer over the past 12 months**. Orange shading represents the highest concentration of visits.

*Map and data on this page provided by Placer.ai. Placer.ai uses location data collected from mobile devices of consumers nationwide to model visitation and demographic trends at any physical location.

Federal Way, WA

A FAST GROWING SEATTLE SUBURB



Scenic Beauty to the Puget Sound Shoreline

- Federal Way is a suburban city in King County with an estimated population of 100,252 residents
- Centrally located in Puget Sound with breathtaking views of Mount Rainier, the city is nestled between the major urban centers of Seattle to the north and Tacoma to the south
- Federal Way has grown into a thriving community known for its diverse population, 32 expansive parks, award-winning restaurants along Pacific Highway and 320th, and a family-friendly environment

Regional Transportation

- Seattle-Tacoma International Airport (SEA-TAC) set a record with over 52.6 million passengers in 2024
- SEA-TAC is in the middle of a five-year, \$5 billion capital investment, with the aim to reach major completion to key projects ahead of 2026 World Cup events
- Plans for a new high-speed rail line connecting Portland, Seattle, and Vancouver are moving forward with a recent \$50M federal funding approval

A Pacific Northwest Urban Enclave

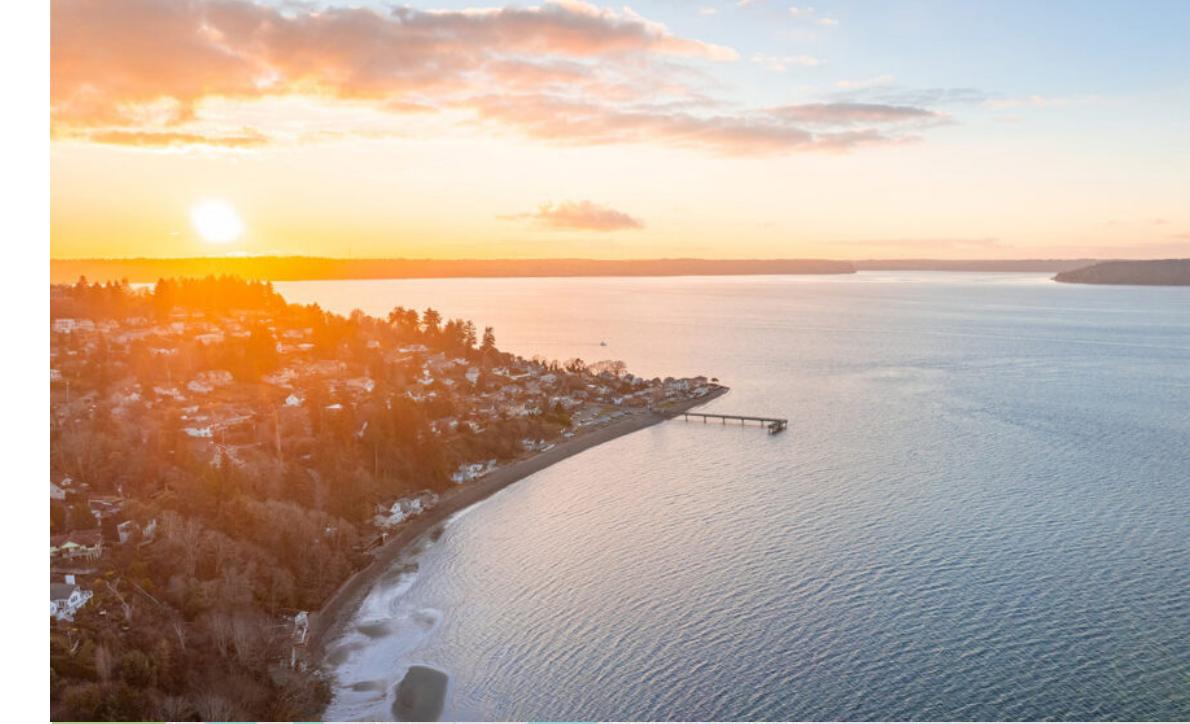
- Seattle is the largest city in both the state of Washington and the Pacific Northwest region of North America
- The Seattle metro area's estimated population is 4.04 million residents, making it the 15th most populous in the U.S. and one of the nation's fastest-growing big cities
- Known for its large tech industry, the region is home to Fortune 500 companies including Amazon, Microsoft, Costco, Starbucks, and Boeing
- Seattle and King County welcomed 40 million visitors in 2024, generating \$12.3 billion in total economic impact, a 7.8% increase from the previous year

4.04 Million

SEATTLE MSA ESTIMATED POPULATION (2024)

\$566.7 Billion

SEATTLE MSA GDP





Seattle – a great place to live, visit, and do business

- The Seattle metro area boasts a strong base of established industry sectors, including aerospace, information technology, and retail
- Seattle consistently ranks as one of the most highly educated cities in the nation with 56 percent of residents having bachelor's degree or higher
- The region is home to world-renowned public and private research institutions, including the University of Washington, one of the top public universities for research funding

Global Fortune 500 Companies Headquartered in the Seattle MSA



NORDSTROM





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