

TROPHY INVESTMENT OPPORTUNITY

SINGLE TENANT ABSOLUTE NNN CVS PROPERTY EXTRAORDINARY ASSUMABLE DEBT



VAN HULL
COMMERCIAL
LLC

Offering Memorandum



7950 E Hampden Ave.
Denver, CO



Actual Site

Investment Contact:

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FINANCIAL OVERVIEW

Offering Summary

7950 E Hampden Ave Denver, CO 80237	
Price	\$16.318,760
Cap Rate	5.0%
Net Operating Income	\$815,938
Year Built	2022

Long-Term Corporate CVS Lease

- Corporate CVS lease guaranteed by CVS Health Corporation
- Approximately 21 years remaining on 25-year, absolute net lease that commenced in 2022 with five, 5-year renewal options
- Scheduled rent increases in option periods

Extraordinary Assumable Debt

- 3.45% fixed interest rate over entire term of the loan with Protective Life Insurance Company
- Debt is fully amortizing over the primary term of the CVS lease and matures January 1, 2047
- Current loan balance of approximately \$8,100,000 (original loan of \$9,000,000)
- Monthly loan payment of \$44,815.14 (\$537,781.68 annually)
- Positive leverage and favorable cash flow in today's higher interest rate environment makes this loan assumption ideal for exchange buyers with a significant debt replacement requirement





LEASE ABSTRACT

Tenant	CVS Pharmacy, Inc.
Guarantor	CVS Health Corporation
Building Size	+/- 13,111 SF plus 1,1712 square SF of Mezzanine space
Land Area	+/- 1.48 Acres
Lease Commencement	January 4, 2022
Lease Expiration	January 31, 2047
Primary Lease Term	25 Years
Term Remaining	Approximately 21 Years
Rent Increases	In Option Terms (see Rent Schedule)
Renewal Options	Five, 5-year options (180 days notice)
Lease Type	Absolute NNN
Roof	Tenant Responsible
Parking Lot	Tenant Responsible
HVAC	Tenant Responsible
CAM	Tenant Responsible
Taxes	Tenant Pays Directly
Insurance	Tenant Responsible, naming Landlord and Lender as additional insured
ROFR	None

Rent Schedule	Exp Date	Rent	% Increase
1-25	1/31/2047	\$815,938	--
Option 1	1/31/2052	\$897,532	10.00%
Option 2	1/31/2057	\$987,285	10.00%
Option 3	1/31/2062	\$987,285	--
Option 4	1/31/2067	\$1,086,013	10.00%
Option 5	1/31/2072	\$1,086,013	--





TENANT SUMMARY

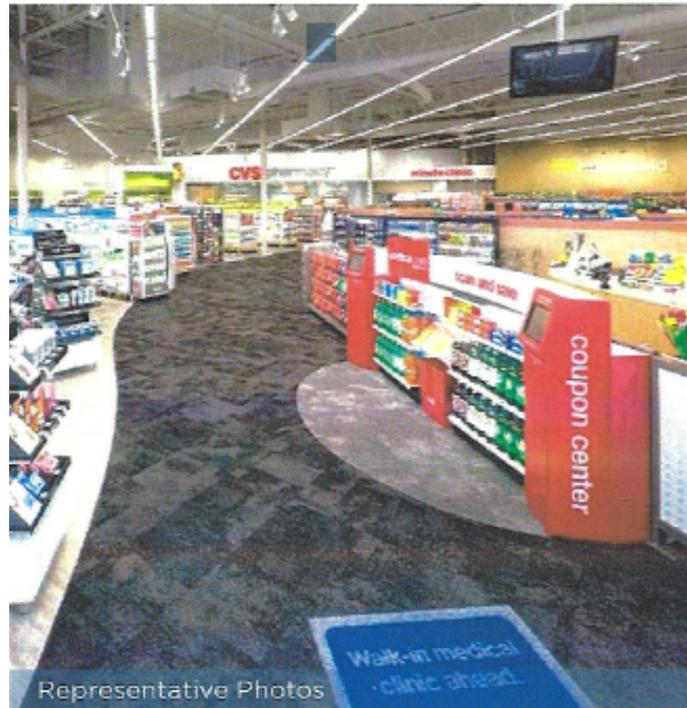
CVS Health Corporation is one of the largest pharmacy healthcare providers in the United States with integrated offerings across the entire spectrum of pharmacy care. The company has reinvented the pharmacy industry by offering innovative solutions that help people on their path to better health. CVS is focused on enhancing access to care, lowering overall healthcare costs for plan members and payors, and improving health outcomes.

CVS has more than 9,100 retail pharmacies, nearly 300,000 employees, and is a leading pharmacy benefit manager serving more than 100 million plan members. Furthermore, its retail health clinic system is the largest in the nation with more than 900 MinuteClinic locations. The company is a market leader in mail order, retail and specialty pharmacy, retail clinics, and Medicare Part D Prescription Drug Plans. CVS Pharmacy is the largest U.S. Pharmacy based on total prescription revenue and fills or manages 1.9 billion prescriptions each year, capturing a dominant position in the total U.S. prescription market.

In December 2015, CVS Health completed a \$1.9 billion agreement to take over Target's (NYSE: TGT) pharmacy and clinic businesses. The deal brought 1,672 new pharmacies into CVS Health, which expanded its retail footprint by more than 20%. They are operated through a store-within-a-store format, branded as CVS Pharmacy.

In December 2018, CVS acquired U.S. health insurer Aetna Inc. (NYSE: AET) for \$69 billion. The acquisition combined one of the nation's largest pharmacy benefits managers and pharmacy operators with one of its oldest health insurers.

The strategic acquisitions have been successful. For the year ending December 31, 2024, CVS Health Corporation reported total revenue of \$373 billion and net income of \$4.6 billion. CVS currently holds a Standard & Poor's rating of "BBB" and a Moody's rating of "Baa3".



Company Profile	
Company	CVS Corporation
DBA	CVS
Entity Type	Public
Stock Symbol	CVS
Exchange	NYSE
Credit Rating	BBB (S&P); Baa3 (Moody's)
Business Use	Retail Pharmacy
# Locations	+/- 9,100
Total Revenue (2024)	\$373B
Net income (2024)	\$4.6B
Founded	1982
Headquartered	Woonsocket, RI
Website	www.cvshealth.com



OFFERING SUMMARY

Lease

The Lease offers a 25-year term that commenced January 4, 2022. The Tenant on the Lease is CVS Pharmacy, Inc with a full corporate guaranty from CVS Health Corporation. The Lease is absolute NNN where the Tenant maintains everything, including insurance and paying taxes directly. This is trophy real estate with an investment-grade tenant that can be passed down for generations.

Property

The Property features a 13,111 SF building with an additional 1,712 SF of mezzanine space on 1.478 acres. The Property is located in the southeastern part of Denver in the Hampden neighborhood at the signalized corner of East Hampden Ave and S Tamarac Dr. There are a combined 85,000 vehicles passing by daily and approximately 130,000 people living within 3 miles with an average household income of approximately \$105,000. This highly desirable and heavily traveled corner has multi-story buildings in all directions. The intersection is shared with Target, Whole Foods, Chick-fil-A, Benihana, Bank of the West, Wells Fargo, Petco, Chipotle, numerous office buildings, and various other national retailers.

Trade Report

Denver is one of the hottest growth areas in the country, having grown by over 100,000 people in the past 10 years alone. The entire MSA is 3 million people and is expected to surpass 4 million by 2040. There are over 129,000 people living within 3 miles of the site earning approximately \$105,000 in average household income. The region is anchored by nine major industrial sectors. Denver offers 37.4 million tourists annually with the third busiest airport in the US. There is over \$6.6 billion of new development taking place in downtown Denver alone.

Tenant

CVS Health is one of the largest pharmacy healthcare providers in the US. The company has reinvented the pharmacy industry and has made strategic acquisitions over the past few years to position itself for the healthcare of the future. In 2015, CVS took over all of the pharmacies inside of Target's retail stores. This increased their footprint by 20% instantly. Then CVS acquired Aetna in 2018 so it is now integrated with one of the largest and oldest health insurers in the world. This will help them lower health the costs to the company's customer base. For FYE 2024 the company generated \$373 Billion in Revenue and \$4.6 Billion in Net Income. CVS is rated "BBB" by S&P.

INVESTMENT HIGHLIGHTS

Price: \$16,318,760

Cap Rate: 5.0%



25-Year
Primary Term



Investment-
Grade Credit



Long-Term Legacy
Real Estate



Absolute NNN
Lease



One of the Hottest
Markets in the Country



85,603 Vehicles
Per Day



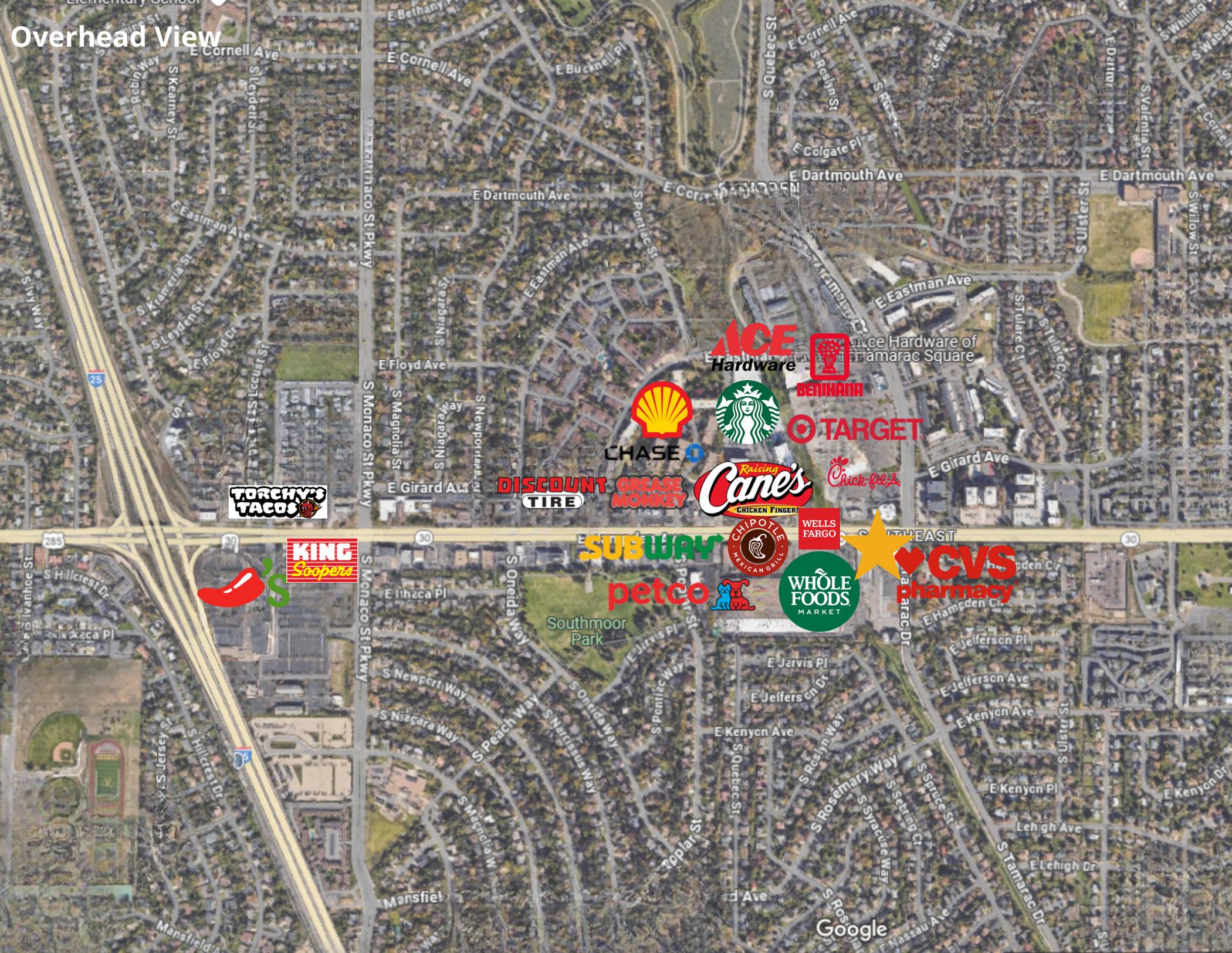
3 Million Person
Denver MSA



\$105,000 Household
Income within 3 miles

Location	7950 E Hampden Ave, Denver, CO 80237
County	Denver County
Tenancy	Single
Property Type	Drug Store
Building Size	+/- 13,111 SF plus 11,712 SF Mezzanine Space
Land Area	+/- 1.478 Acres
Year Built	2022
Occupancy	100%
Ownership Interest	Fee Simple

Overhead View



TORCHY'S TACOS



KING
Soopers

DISCOUNT TIRE

CHASE



ACE Hardware



Home Hardware of Amara Square



TARGET

GREASE MONKEY

Raising Cane's
CHICKEN FINGERS

Chick-fil-A

SUBWAY



WELLS FARGO

petco



CVS

pharmacy

Southmoor Park

WHOLE FOODS
MARKET

Outlot to Whole Foods
Anchored Shopping Center

13,111 SF
+1,712 SF Mezzanine
1.478 Acres

Tamarac Dr (20,063 VPD)

Hampden Avenue (65,540 VPD)



Northwestbound View





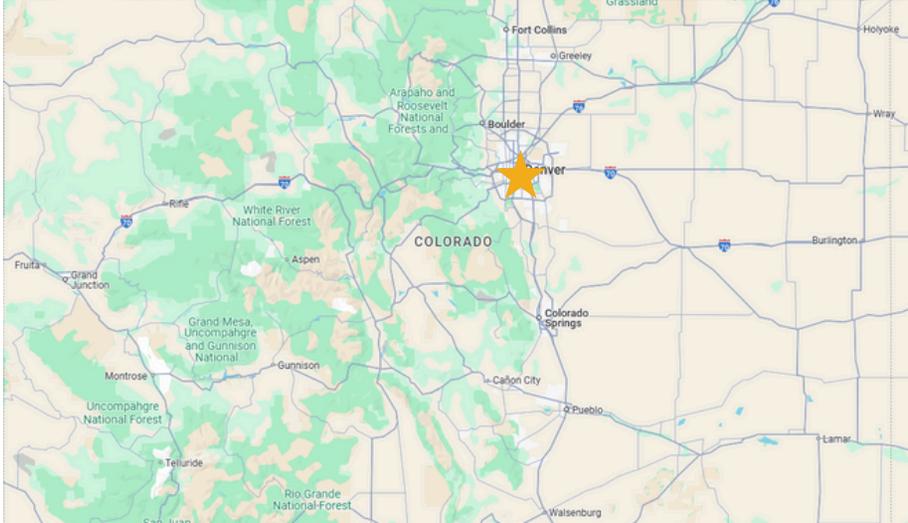
Denver Overview

The Subject Property is located in Denver, CO which is one of the hottest growth areas in the country. It is within the Hampden South neighborhood, only eight miles south of Denver's CBD. Neighborhood boundaries are Hampden Ave to the north, 1-25 on the west, Belleview Ave to the south, and Yosemite/Boston on the east. The city of Denver itself has over 700,000 residents with approximately 129,000 people living within a three-mile radius of the subject property. Average household income within the same 3-mile radius exceeds \$104,700.

Denver is one of the rare cities in the US that has its population consistently growing over 1% annually. Over the past 10 years, the city has grown by over 100,000 people alone. The entire MSA is 3 million people which is expected to reach over 4 million by 2040. It currently ranks as the 19th largest MSA in the country.

The region is anchored by nine major industry clusters that drive the regional economy: Aerospace, Aviation, Beverage Production, Bioscience, Broadcasting & Telecommunications, Energy, Financial Services, Healthcare & Wellness, and IT Software. These are all very safe and growing industries. Colorado itself is home to 500+ Aerospace-related companies and suppliers, including Lockheed Martin, Boeing and Northrop Grumman. Within Denver, there are 180 companies with an average wage of \$131k and a 5-year employment growth of 4.2%. Metro Denver's airport system is also a strong economic engine with a regional impact of nearly \$28 billion and supporting more than 195,750 jobs in all industries.

Colorado's forever expanding job growth is highly attributed to the local education. With 41.2% of the adult population having a bachelor's degree or higher, Colorado is ranked as the second most highly educated state in the nation, for the sixth year in a row. One of the biggest major universities in the area is University of Colorado Denver. The university boasts significant research funding, with over \$349 million to sponsored research annually and is ranked #3 best colleges in Colorado. The Subject Property is roughly 4.4 miles from the University.





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CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of Subject Property ("Property"). It has been prepared by Van Hull Commercial, LLC. 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 Van Hull Commercial, LLC. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources. Neither Van Hull Commercial, LLC or Seller, 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 conduct their own due diligence make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

- 1.The Offering Memorandum and its contents are confidential
- 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.

Seller and Van Hull Commercial, LLC 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 do not wish to pursue negotiations leading to the acquisition of the Property 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, Van Hull Commercial, LLC 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.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in this state of affairs of the Property since the date of this Offering Memorandum.