

EXCLUSIVELY LISTED INVESTMENT OFFERING

CVS/pharmacy®

GREATER LOS ANGELES DRUGSTORE PORTFOLIO INVESTMENT OPPORTUNITY



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Offering Overview

Pharma Property Group is pleased to present the rare opportunity to purchase a portfolio of CVS leased properties located within infill areas surrounding Los Angeles, California that may be purchased individually or as a portfolio. There are approximately 13 years and 4 months remaining on the absolute net leases which include no landlord responsibilities whatsoever. The income on this investment is guaranteed by CVS Corporate (S&P BBB+, NASDAQ CVS).

Portfolio Highlights

TOTAL PRICE	\$23,329,951
TOTAL PRICE/SF	\$338.80
CAP RATE	5.00%
COMBINED NOI	\$1,165,964
TOTAL BUILDING SIZE	±68,860
TOTAL LAND SIZE	±259,741



COMPTON, CA



EL MONTE, CA



ONTARIO, CA

ADDRESS	220 EAST COMPTON BOULEVARD COMPTON, CA 90220	9920 GARVEY AVENUE EL MONTE, CA 91733	2456 S. GROVE AVENUE ONTARIO, CA 91761
PRICE	\$9,347,848	\$5,090,408	\$8,891,695
CAP RATE	5.00%	5.00%	5.00%
PRICE PER SF	\$408.55	\$254.85	\$341.90
LEASE TERM REMAINING	13 Years 4 Months	13 Years 4 Months	13 Years 4 Months
OPTIONS	Ten (5-year)	Ten (5-year)	Ten (5-year)
LEASE TYPE	Absolute Net	Absolute Net	Absolute Net
ANNUAL RENT (NOI)	\$467,392.44	\$254,520.48	\$444,584.76
YEAR BUILT	1983	Remodeled 1986	1985

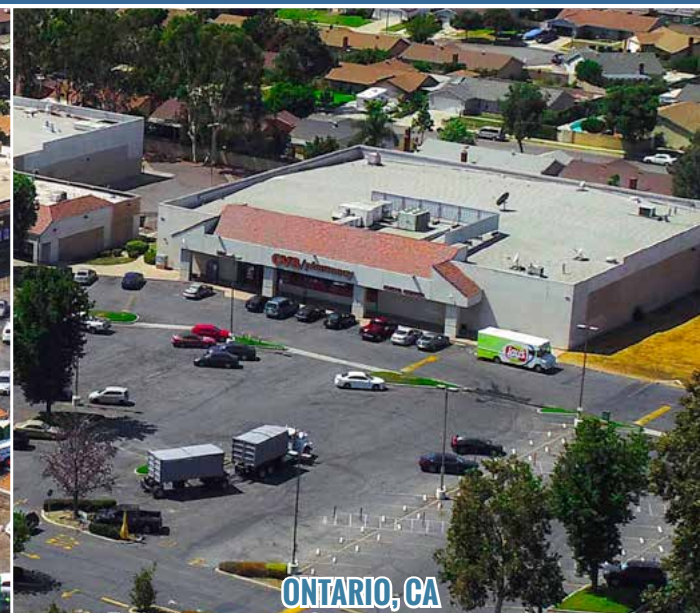




COMPTON, CA



EL MONTE, CA



ONTARIO, CA

Investment Highlights

STABLE INCOME

Rental income guaranteed by CVS parent corporate (S&P BBB+) investment grade Fortune 500 Company with over 7,900 locations.

ABSOLUTE NET LEASES WITH OVER 13 YEARS LEASE TERM REMAINING

All three properties have approximately 13 years and 4 months of primary lease term remaining including ten (5-year) options on an absolute net leased basis with no landlord responsibilities whatsoever.

SOUTHERN CALIFORNIA INFILL LOCATIONS

The CVS properties are located in the southern California area in densely populated infill areas. The Compton and El Monte properties are in the Los Angeles metropolitan area and the third location is approximately one-hour's drive east in Ontario. The properties have on average $\pm 570,000$ residents with an average income of \$73,000 within a 5-mile radius.

IN-LINE LOCATIONS WITH AMPLE PARKING AND SUPPORTING TENANTS

These properties are part of multi-tenant shopping centers in-line with other anchor tenants offering the assets more foot traffic as well as ample parking.

RARE DRUGSTORE PORTFOLIO OPPORTUNITY IN THE LOS ANGELES AREA

This is a unique portfolio of three in-line drugstores totaling 68,746 square feet in infill areas of the greater Los Angeles area.

HIGH TRAFFIC INTERSECTIONS

The assets are located on highly trafficked, major arterials of their respective cities. Combined traffic count for the Compton location is 39,723 vehicles per day, for the El Monte location it is 36,035 vehicles per day, and the Ontario location it is 53,869 vehicles per day. All freeways in these locations have traffic counts of over 220,000 vehicles per day.

MULTI-USE IN-LINE BUILDING FOOTPRINTS

The current rents for these CVS buildings are at modest levels and the larger building footprints allow for a variety of sized spaces should re-tenanting be necessary.

UNDER-SERVED RETAIL CORRIDORS

Compton, El Monte and Ontario all have limited retail shopping centers within a heavily populated area which increases the shopping opportunities for the subject properties.

SOLID REAL ESTATE FUNDAMENTALS

CVS is currently paying within current market rent levels annually for retail space in all three locations and below market rent levels when compared to other primary market drugstore locations.

The Los Angeles Metropolitan Area is the 18th-largest in the world and 2nd-largest in the United States. Its gross domestic product is over \$1 Trillion and ranked 3rd-largest in the world. The population of this area includes over 14 million residents including the counties of Los Angeles, Long Beach and Anaheim. The city of Los Angeles alone has approximately 4 million residents and is also known as the entertainment and tourist capital of the world with over 47.3 million visitors to the area in 2016.

Compton, CA | Lease Summary

ADDRESS	220 East Compton Boulevard Compton, CA 90220
PRICE	\$9,347,848
CAP RATE	5.00%
PRICE PER SF	\$408.55
TENANT	CVS (NYSE: CVS)
LANDLORD INCOME	Corporate Guarantee
CREDIT RATING	Investment Grade, BBB+ (S&P)
LEASE COMMENCEMENT	December 1, 2006
INITIAL TERM EXPIRATION	January 31, 2032
TERM REMAINING	13 Years 4 Months
OPTIONS	Ten (5-year)
LEASE TYPE	Absolute Net Lease
ANNUAL RENT (NOI)	\$467,392.44
MONTHLY RENT	\$38,949.37
RENT PER SF	\$20.42
RENT INCREASES	None
LANDLORD RESPONSIBILITIES	None
YEAR BUILT	1983
PARCEL NUMBER	6160-015-021
BUILDING SIZE	±22,880
LOT SIZE (SQUARE FEET)	±106,145



Compton, CA | Property Aerial



Compton, CA | Location Overview & Area Demographics

The Compton CVS is approximately 16 miles south of Los Angeles in an in-line location within the Compton Towne Shopping Center anchored by Smart & Final and across the street from Renaissance Plaza anchored by Burlington. Just west of the property crossing Willowbrook Avenue is Compton City Hall, Courthouse, Sheriff Station and Library. South of the property is located an industrial park. Within a 5-mile radius there are ±106 million square feet of industrial and manufacturing space.

- **CAL STATE - DOMINGUEZ HILLS** (4 miles southwest) - CSUDH has ±15,000 students enrolled and ±700 staff offering bachelor degrees in 45 different majors.
- **COMPTON/WOODLEY AIRPORT** (1.8 miles west) - This 77-acre airport is owned by Los Angeles County and is an alternative relief airport for Los Angeles International Airport (LAX).



Total Population

1 MILE	40,350
3 MILES	284,495
5 MILES	801,615



Average Household Income

1 MILE	\$54,452
3 MILES	\$59,643
5 MILES	\$62,519



Total Households

1 MILE	9,689
3 MILES	67,573
5 MILES	208,434



Average Age

1 MILE	32.50
3 MILES	33.20
5 MILES	34.20



Traffic Counts Vehicles/Day

E COMPTON BLVD	21,105
S ALAMEDA ST	18,618
I-710	240,000

Disclaimer: This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage, age, distances, lot size, store opening dates, demographic information, aerial information, tenant information & store operating information are approximate. By accepting this package, buyer and their representatives must verify the information and bears all risk for any inaccuracies.



Ontario, CA | Lease Summary

ADDRESS	2456 South Grove Avenue Ontario, CA 91761
PRICE	\$8,891,695
CAP RATE	5.00%
PRICE PER SF	\$341.90
TENANT	CVS (NYSE: CVS)
LANDLORD INCOME	Corporate Guarantee
CREDIT RATING	Investment Grade, BBB+ (S&P)
LEASE COMMENCEMENT	December 1, 2006
INITIAL TERM EXPIRATION	January 31, 2032
TERM REMAINING	13 Years 4 Months
OPTIONS	Ten (5-year)
LEASE TYPE	Absolute Net Lease
ANNUAL RENT (NOI)	\$444,584.76
MONTHLY RENT	\$37,048.73
RENT PER SF	\$17.09
RENT INCREASES	None
LANDLORD RESPONSIBILITIES	None
YEAR BUILT	1985
PARCEL NUMBER	1051-171-40-000
BUILDING SIZE	±26,006
LOT SIZE (SQUARE FEET)	±99,750



Ontario, CA | Property Aerial








Ontario, CA | Location Overview & Area Demographics

The Ontario offering is located approximately 39 miles east of downtown Los Angeles just southwest of the Ontario International Airport. It is also located in a shopping center with visibility from Highway 60 surrounded by residential areas. On the opposite side of Highway 60 sits a Lowe's anchored shopping center. There are approximately 236 million square feet of industrial and manufacturing space within a 5-mile radius.

- **KAISER PERMANENTE** (1.5 miles north) - This medical campus includes a 224-bed hospital, 36-bed emergency department, a 3-story medical office building, and 7-story parking structure.
- **ONTARIO AIRPORT** (3 miles east) - This 1,741 acre airport has ±4.5 million passengers annually with 19 domestic and international destinations.



 Total Population	 Average Household Income	 Total Households	 Average Age	 Traffic Counts Vehicles/Day					
1 MILE	20,481	1 MILE	\$75,571	1 MILE	5,633	1 MILE	35.40	S GROVE AVE	20,688
3 MILES	126,519	3 MILES	\$76,658	3 MILES	34,339	3 MILES	34.30	HWY-60	33,181
5 MILES	322,720	5 MILES	\$78,026	5 MILES	88,906	5 MILES	34.60	I-15	224,000

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El Monte, CA | Lease Summary

ADDRESS	9920 Garvey Avenue El Monte, CA 91733
PRICE	\$5,090,408
CAP RATE	5.00%
PRICE PER SF	\$254.85
TENANT	CVS (NYSE: CVS)
LANDLORD INCOME	Corporate Guarantee
CREDIT RATING	Investment Grade, BBB+ (S&P)
LEASE COMMENCEMENT	December 1, 2006
INITIAL TERM EXPIRATION	January 31, 2032
TERM REMAINING	13 Years 4 Months
OPTIONS	Ten (5-year)
LEASE TYPE	Absolute Net Lease
ANNUAL RENT (NOI)	\$254,520.48
MONTHLY RENT	\$21,210.04
RENT PER SF	\$12.74
RENT INCREASES	None
LANDLORD RESPONSIBILITIES	None
YEAR BUILT	Remodeled 1986
PARCEL NUMBER	8102-001-028
BUILDING SIZE	±19,974
LOT SIZE (SQUARE FEET)	±53,846



El Monte, CA | Property Aerial








El Monte, CA | Location Overview & Area Demographics

The El Monte property is located just 14 miles east of downtown Los Angeles and is part of a two tenant anchored center with the second tenant being a local grocer. The property is surrounded by residential areas as well as ±53 million square feet of industrial and manufacturing space within a 5-mile radius.

- **GREATER EL MONTE COMMUNITY HOSPITAL** - (1.6 miles southeast) - This 117-bed hospital provides the only emergency room within a 6-mile radius and employs 132 physicians and 350 employees.
- **SAN GABRIEL VALLEY AIRPORT** (2.2 miles northeast) - This 103-acre airport is owned by Los Angeles County, has ±\$40 Million in annual revenue and employs approximately 200 people.



 Total Population	 Average Household Income	 Total Households	 Average Age	 Traffic Counts Vehicles/Day			
1 MILE	32,693	1 MILE	7,567	1 MILE	34.80	GARVEY AVE	28,919
3 MILES	230,122	3 MILES	60,071	3 MILES	37.40	MERCED AVE	7,116
5 MILES	591,359	5 MILES	169,682	5 MILES	38.70	I-10	222,000

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Tenant Profile

GUARANTOR	CVS Pharmacy, Inc.
OWNERSHIP	Public
STOCK SYMBOL (NASDAQ)	CVS
CREDIT RATING (S&P)	BBB+
BUSINESS	Retail Pharmacy
LOCATIONS	7,998
ANNUAL REVENUE	\$153 Billion
MARKET CAPITALIZATION	\$37.2 Billion
HEADQUARTERS	Woonsocket, RI
WEBSITE	www.cvshealth.com

CVS/pharmacy® Company Summary*

Tenant History

CVS pharmacy is the second largest pharmacy retail chain in the United States. CVS is incorporated in Delaware and based in Woonsocket, Rhode Island. CVS was founded in 1963 under the name Consumer Value Store and later changed its name to CVS Corporation in 1996.

During the 1990's the parent company changed its name from Melville Corporation to CVS Corporation and decided to focus entirely on CVS by selling of its non-pharmacy businesses such as Marshalls, Footaction/Footstar, Linens 'n' Things, and Kay-Bee Toys.

CVS used much of their capital from divesting in non-pharmacy businesses to reinvest into the pharmacy sector and have increased their national footprint primarily from acquiring competing pharmacy chains. From 1997 to 2008, CVS had purchased over 4,800 drugstore locations through acquisitions of competing pharmacy chains.

CVS has also made a concerted effort to establish strategic business units by acquiring Nashville based Caremark Rx Inc., a pharmacy benefits manager (PBM), and by acquiring Minneapolis based Minute Clinic which pioneers health clinics in over 600 of CVS stores. Its PBM wing provides \$76 billion in net revenues through services to over 2,000 health plans for corporations, insurance companies, unions and government entities.

During 2014, CVS boldly announced they would cease to sell any tobacco products moving forward costing the chain roughly \$2 billion in annual revenues.

Notable Acquisitions

In 1990, CVS acquired the 490 store People Drug which established the company in new mid-Atlantic markets including Washington D.C., Pennsylvania, Maryland and Virginia. In 1997, CVS nearly tripled its 1,400 stores after purchasing the 2,500 store Revco chain thereby adding locations throughout Ohio, mid-Atlantic and the southeast. In 2004, CVS purchased 1,268 Eckerd drugstores throughout Florida, Texas and other southern states.

On January 23rd, 2006 CVS announced that it agreed to acquire the freestanding drugstores of Albertsons and the deal included 700 stores trading under the Osco Drug and Sav-On Drug banners located primarily in the Midwestern and southwestern United States with the concentration of stores in southern California and the Chicago area. CVS last major acquisition was in 2008 when they purchased Longs Drugs which had over 400 stores in California and Hawaii.

**CVS company information received from CVS investor relations.*



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