

CVS/Pharmacy Zero Cash Flow

50980 North Avenue
Macomb Township, MI



CONFIDENTIAL OFFERING MEMORANDUM

For Further Information Please Contact:

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In Cooperation with Housepad, LLP.
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100 Garden City Plaza, Suite 432, Garden City, NY 11530 T: (516)365-5100 F: (516)365-5266

**CVS/Pharmacy
MACOMB, MI**

Location:	50980 North Avenue 23 Mile Road & North Avenue Macomb Township, MI 48042
Building Size:	12,900 Sq. Ft.
Lot Size :	2.11 acres
Tenant Information:	CVS Caremark Corp operates approximately 7,670 retail drugstores in 45 states Puerto Rico and the District of Columbia. As of June 30, 2014 CVS had approximately \$38.1 billion in stockholder's equity. CVS currently has a Standard and Poor rating of BBB + with a stable outlook.
Lease Commencement Date/ Store Opening Date:	December 20, 2007
Lease Term:	25 Years
Lease Type :	Bond NNN Lease, no landlord obligations.
Rent:	\$449,339 per annum for 22 years, with a rent hiatus in years 23 to 25
Financing:	Current First Mtg. Balance Approx.: \$4,220,084 + 467 Loan with a Current Balance: <u>\$333,926</u> Total Debt: \$4,554,010
	The first mortgage loan allows for pay down / re-advance of the principal.
Loan Term:	22 Years self liquidating / 467 Loan 25 Years
Interest Rate:	6.943%

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Section 467 Definition:

This property is backed by a 25 year lease and a 22 year fully amortizing first mortgage, with free rent for the final three years. As a result of the free rent period, the rental payments are accounted for under Section 467 of the Internal Revenue Code. Under Section 467, rental payments are allocated to specific periods of the lease term and these allocations may differ from the actual rent paid in the same corresponding period. For accounting purposes, the allocated rent is reported as taxable income. Additionally any excess amount of actual paid rent over allocated rent is treated as a loan from tenant to landlord. This is termed a “467 loan” and the interest on the loan is tax deductible. The 467 loan amortizes to \$0 at the end of the three year free rent period. The net result is a more beneficial tax structure to the Landlord versus that with a standard 25 year self-amortizing loan.

Price: \$5,469,010

Equity Required: \$915,000

CVS/Pharmacy MACOMB, MI

Type of Ownership

Fee Simple

Location Description:

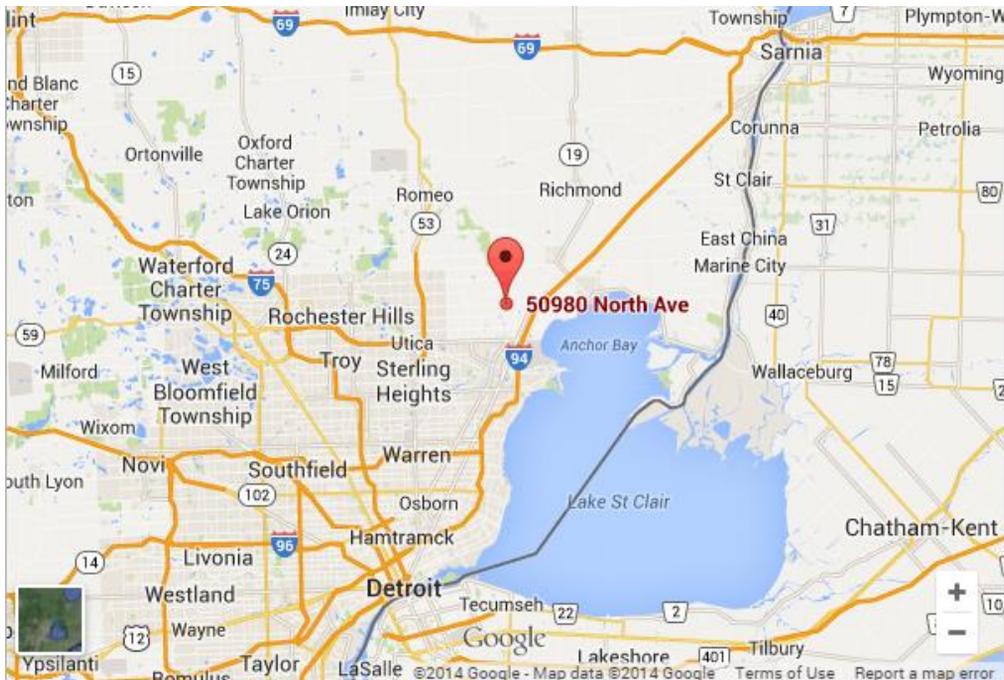
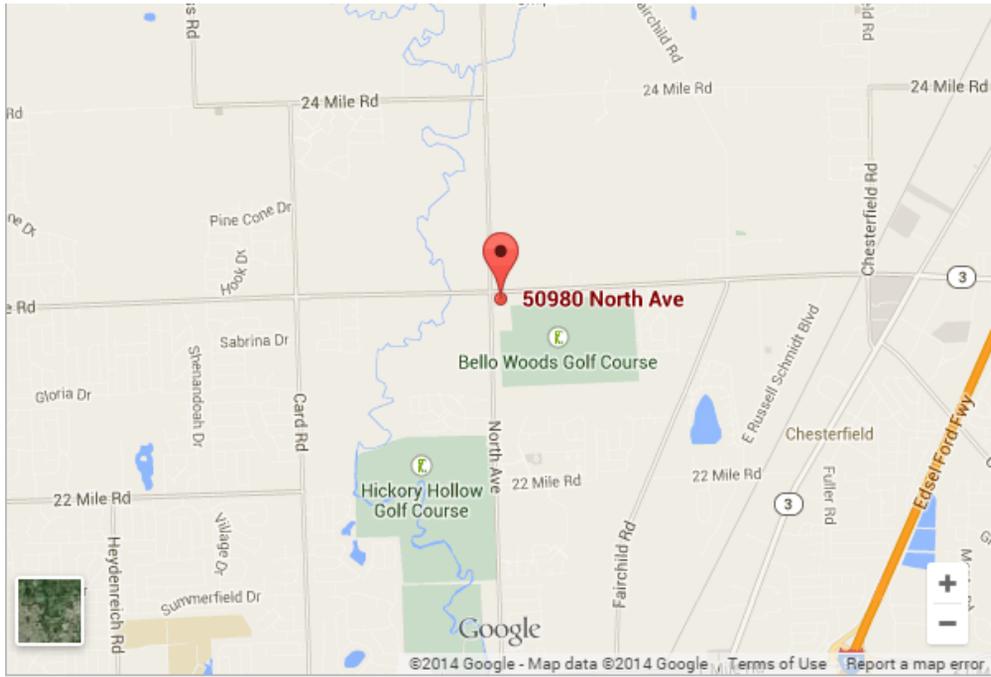
23 mile Road & North Avenue Macomb Township MI. (approximately 35 miles north of the City of Detroit. The township's population was 50,478 at the 2000 Census. 2010 Census places the township's population at 79,580, making it Michigan's fastest growing major municipality. Macomb Township is essentially a bedroom community with the majority of the population employed in professional, technical and management positions in and around the City of Detroit MI. The median family income within a 3 miles radius is approximately \$91,000, well above the national average of approximately \$55,000.

The site itself is located on a signalized Intersection of two main thoroughfares. The immediate area is mostly single family residential with some local retail shopping.

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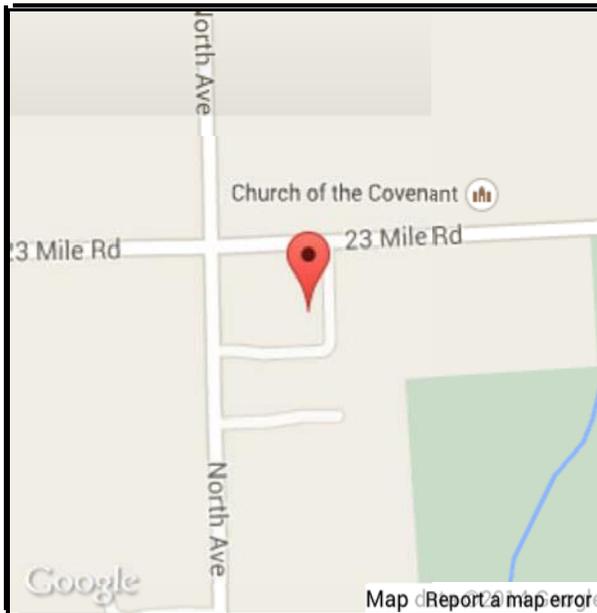


EASI Demographics on Demand
Updated Site Selection Reports & Analysis
Executive Summary

Address: 50980 North Avenue, Macomb, MI

Latitude: 42° : 40' : 22"

Longitude: -82° : 52' : 36"



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Description	1.34 Miles	3 Miles	5 Miles
POPULATION BY YEAR			
Population (4/1/1990)	1,231	14,766	56,150
Population (4/1/2000)	1,110	31,354	98,989
Population (4/1/2010)	982	50,557	129,987
Population (1/1/2014)	995	51,626	132,912
Population (1/1/2019)	1,020	53,055	136,532
Percent Growth (2014/2010)	1.32	2.11	2.25
Percent Forecast (2019/2014)	2.51	2.77	2.72
HOUSEHOLDS BY YEAR			
Households (4/1/1990)	519	5,186	19,092
Households (4/1/2000)	449	10,842	34,739
Households (4/1/2010)	388	16,795	45,777
Households (1/1/2014)	392	17,118	46,728
Households (1/1/2019)	402	17,582	47,990
Percent Growth (2014/2010)	1.03	1.92	2.08
Percent Forecast (2019/2014)	2.55	2.71	2.70
GENERAL POPULATION CHARACTERISTICS	38.2	36.0	36.3
Median Age			
Male	503	25,714	66,009
Female	492	25,912	66,903
Density	597.2	1,534.4	1,996.5
Urban	995	50,268	131,445
Rural	0	1,358	1,467
GENERAL HOUSEHOLD CHARACTERISTICS	392	17,118	46,728
Households (1/1/2014)			
Families	252	13,866	35,234
Non-Family Households	140	3,252	11,494
Average Size of Household	2.54	3.01	2.81
Median Age of Householder	51.3	48.9	49.7
Median Value Owner Occupied (\$)	18,451	202,376	179,924
Median Rent (\$)	497	857	680
Median Vehicles Per Household	2.4	2.5	2.4

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	Description	1.34 Miles	3 Miles	5 Miles
GENERAL HOUSING CHARACTERISTICS		461	17,928	50,557
Housing, Units				
Housing, Owner Occupied		298	15,619	38,678
Housing, Renter Occupied		94	1,499	8,050
Housing, Vacant		69	810	3,829
POPULATION BY RACE		866	44,994	114,042
White Alone				
Black Alone		88	3,327	10,899
Asian Alone		1	1,598	3,463
American Indian and Alaska Native Alone		3	128	336
Other Race Alone		11	421	1,178
Two or More Races		26	1,158	2,994
POPULATION BY ETHNICITY		39	1,327	3,653
Hispanic				
White Non-Hispanic		846	44,337	112,223
GENERAL INCOME CHARACTERISTICS				
Total Household Income (\$)		24,256,300	1,703,996,172	4,262,611,480
Median Household Income (\$)		63,971	91,202	79,873
Average Household Income (\$)		61,878	99,544	91,222
Per Capita Income (\$)		24,378	33,039	32,288
RETAIL SALES		12,695	793,975	1,695,728
Total Retail Sales (including Food Services) (\$)				
CONSUMER EXPENDITURES		20,893.9	1,144,889.7	2,961,539.0
Total Annual Expenditures (\$000)				
EMPLOYMENT BY PLACE OF BUSINESS		315	9,817	31,485
Employees, Total (by Place of Work)				
Establishments, Total (by Place of Work)		18	726	2,140
EASI QUALITY OF LIFE		69	67	67
EASI Quality of Life Index (US Avg=100)				
EASI Total Crime Index (US Avg=100; A=High)		16	28	42
EASI Weather Index (US Avg=100)		34	34	34
BLOCK GROUP COUNT		1	17	57

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