

CONFIDENTIAL OFFERING MEMORANDUM

CVS Retail Condo · 5 CTA 'L' Stations Nearby · On-Site Parking with Drive-Thru
4800 N. Damen Avenue // Chicago, IL 60625

CVS/pharmacy[®]



EXCLUSIVELY OFFERED BY:

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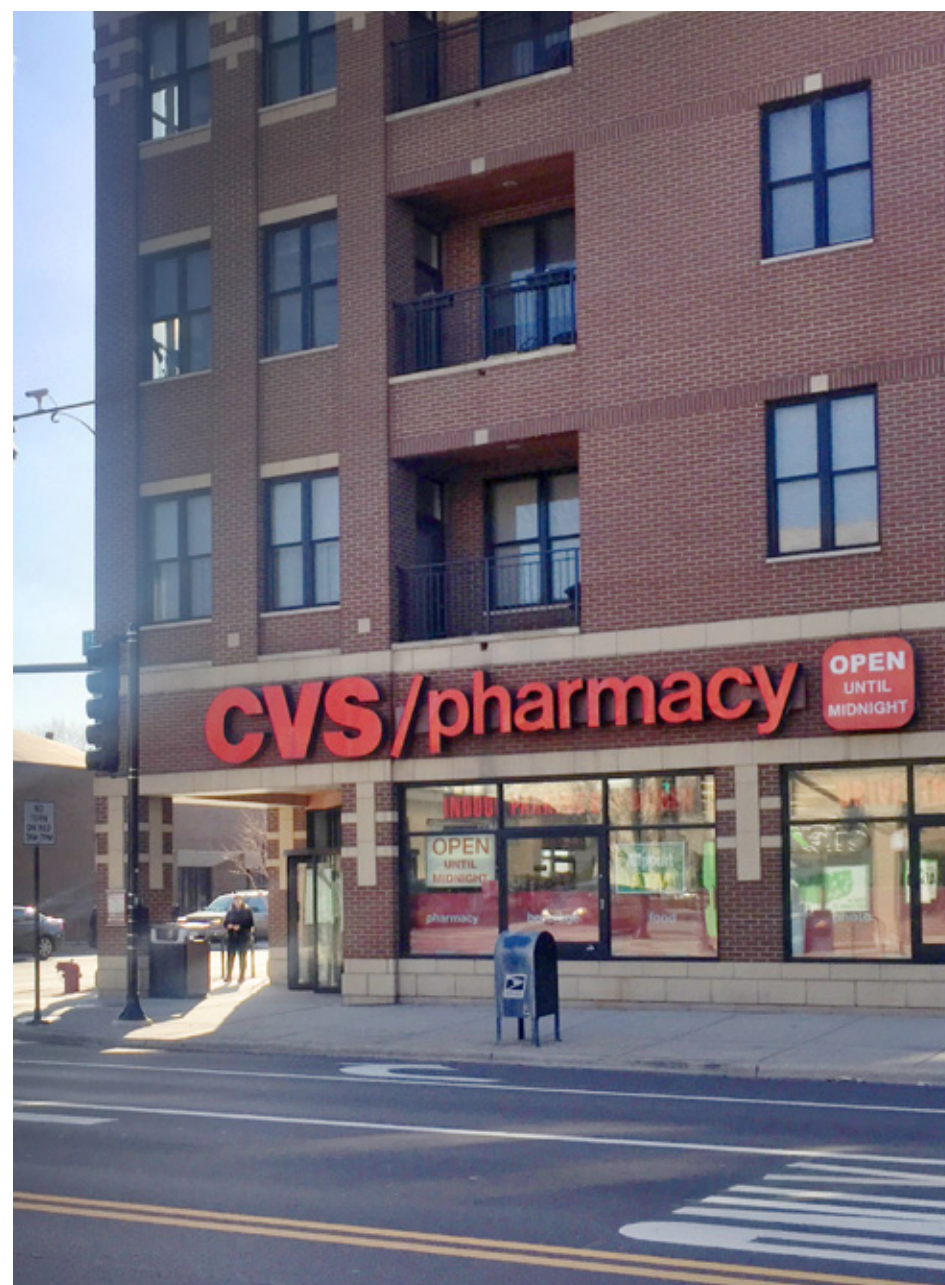
Offering Summary

Baum Realty Group has been exclusively retained by ownership to sell the CVS retail condo located in the Ravenswood neighborhood of Chicago, IL. The property is situated at a signalized hard corner with exposure to 37,400 VPD and features dedicated parking and a drive-thru. The site features excellent access to public transportation including 5 CTA 'L' stations and the Ravenswood Union Pacific North rail station, all of which are within 1 mile of the property, providing a dense local consumer base. There are approximately 63,000 residents and with average household incomes exceeding \$98,000 within one mile of the site, providing an affluent consumer base for the drugstore.



PRICE:	\$5,349,000
CAP RATE:	5.60%
NOI:	\$299,546
TERM REMAINING:	9.5 YEARS
ESCALATIONS:	10% PER OPTION

Lease Type:	NNN
Space Size:	±10,500 Square Feet
Exclusive Parking:	20 Spaces
Drive-Thru:	Yes





Investment Highlights

NNN LEASE WITH RENT INCREASES IN OPTIONS

CVS has approximately 9.5 years remaining on their NNN lease with four, 5-year options and 10% rent escalations in each option providing excellent asset appreciation in the option periods.

EASY ACCESS TO PUBLIC TRANSPORTATION

There are 5 CTA 'L' stations within 1 mile of the property, including 4 Brown Line stations and 1 Red Line station. The 5 CTA 'L' stations accommodated more than 4.82M passengers in 2016 providing a plethora of foot traffic for the site. Additionally, the Ravenswood Union Pacific North (UP-N) METRA rail station is located three blocks east. The UP-N line accounted for over 9M total passengers in 2016.

STRONG MIX OF NEARBY COMPLIMENTARY RETAILERS

The immediate sub-market is anchored by the recently constructed Ravenswood Station, a 123,650 SF retail development anchored by Mariano's Fresh Market and LA Fitness. Additional nearby retailers include Wendy's, Dunkin' Donuts, McDonald's, Walgreens, Jimmy John's, AutoZone, Dollar Tree, U.S. Bank, and Chase Bank, among others.

HARD CORNER SIGNALIZED INTERSECTION

CVS benefits from excellent exposure at the signalized hard corner intersection of W. Lawrence Avenue and N. Damen Avenue featuring traffic exposure of 37,400 VPD and a bus stop.

ACROSS FROM SENIOR CENTER

CVS is directly across the street from the Levy Senior Center, a community center funded by the City of Chicago that hosts more than 300 senior citizen groups and clubs.



DEDICATED CUSTOMER PARKING AND DRIVE-THRU

CVS has 20 dedicated parking stalls for customers located within the condo developments garage and includes a drive-thru, which is rare for an urban retail condo. The reserved parking combined with the drive-thru provides customers with excellent access to the site.

LIMITED DRUGSTORE COMPETITION

Walgreens is located in a retail condo ½ mile west and does not feature a drive-thru giving CVS a competitive advantage. The nearest CVS is located over a mile south on Damen Ave. allowing the subject property to thrive in the sub-market.

URBAN INFILL LOCATION

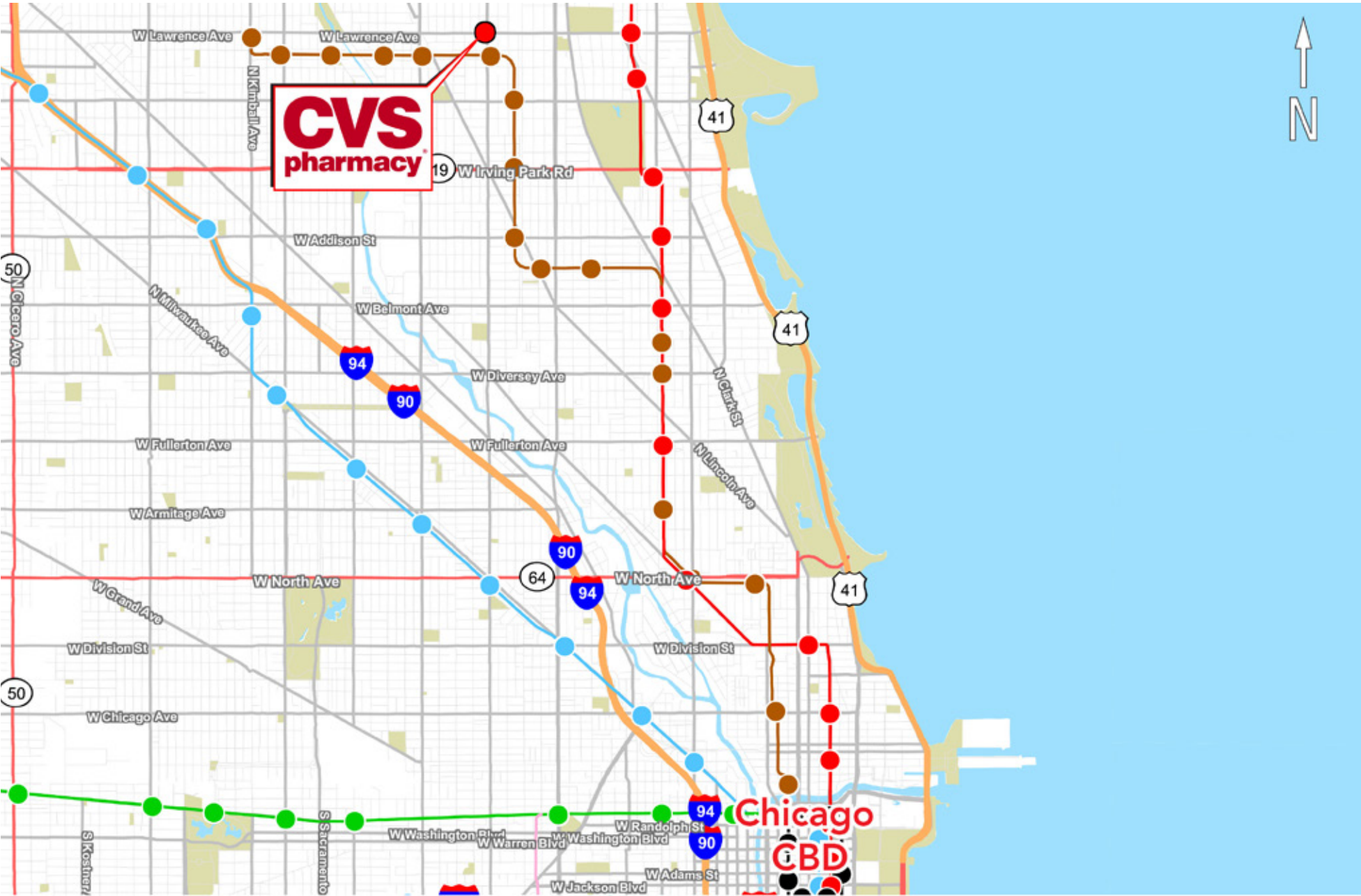
There are approximately 63,000 residents with an average household income in excess of \$98,000 within one mile of the site, providing an affluent customer base for the pharmacy.

INVESTMENT GRADE CREDIT TENANT

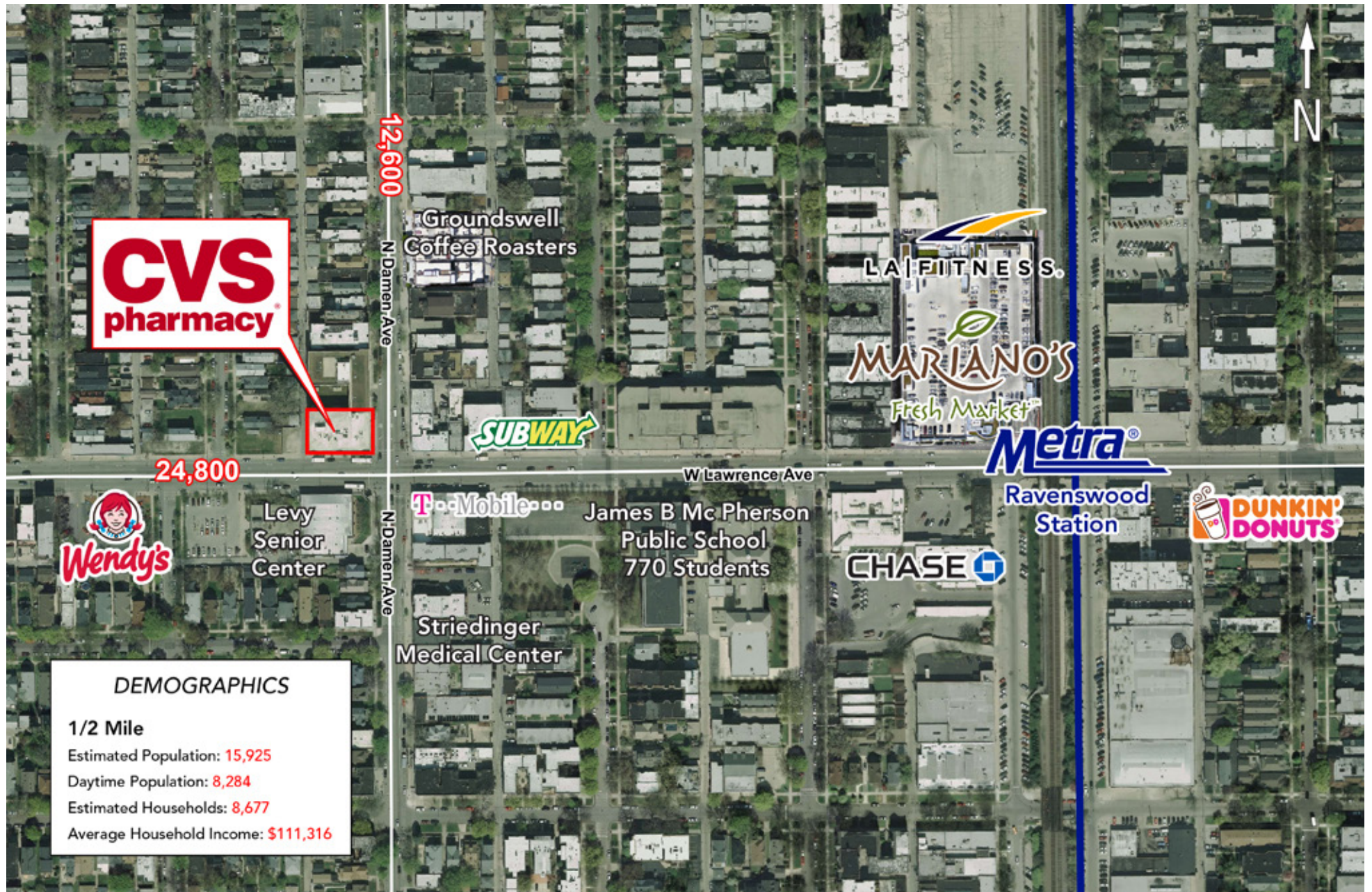
CVS is a leading pharmacy retailer with 9,800+ locations in the U.S., Puerto Rico, and Brazil. For the FYE 2017, CVS (NYSE: CVS) had revenue in excess of \$184.76 billion and net income of \$6.62. Additionally, the company holds investment grade credit with S & P of BBB providing an investor with excellent financial security throughout the term of the lease.

In late 2017 CVS agreed to acquire Aetna for \$69 billion in a deal that will reshape the nation’s health care industry as the combined company will be able to offer most basic health services that customers regularly use.

DEMOGRAPHIC SUMMARY			
	.25 Mile	.5 Mile	1 Mile
Estimated Population	4,385	15,925	62,755
Estimated Households	2,332	8,677	32,088
Average Household Income	\$109,412	\$111,316	\$98,923
Adj. Daytime Population (Age 16+)	3,708	13,566	53,175







DEMOGRAPHICS

1/2 Mile

Estimated Population: **15,925**

Daytime Population: **8,284**

Estimated Households: **8,677**

Average Household Income: **\$111,316**

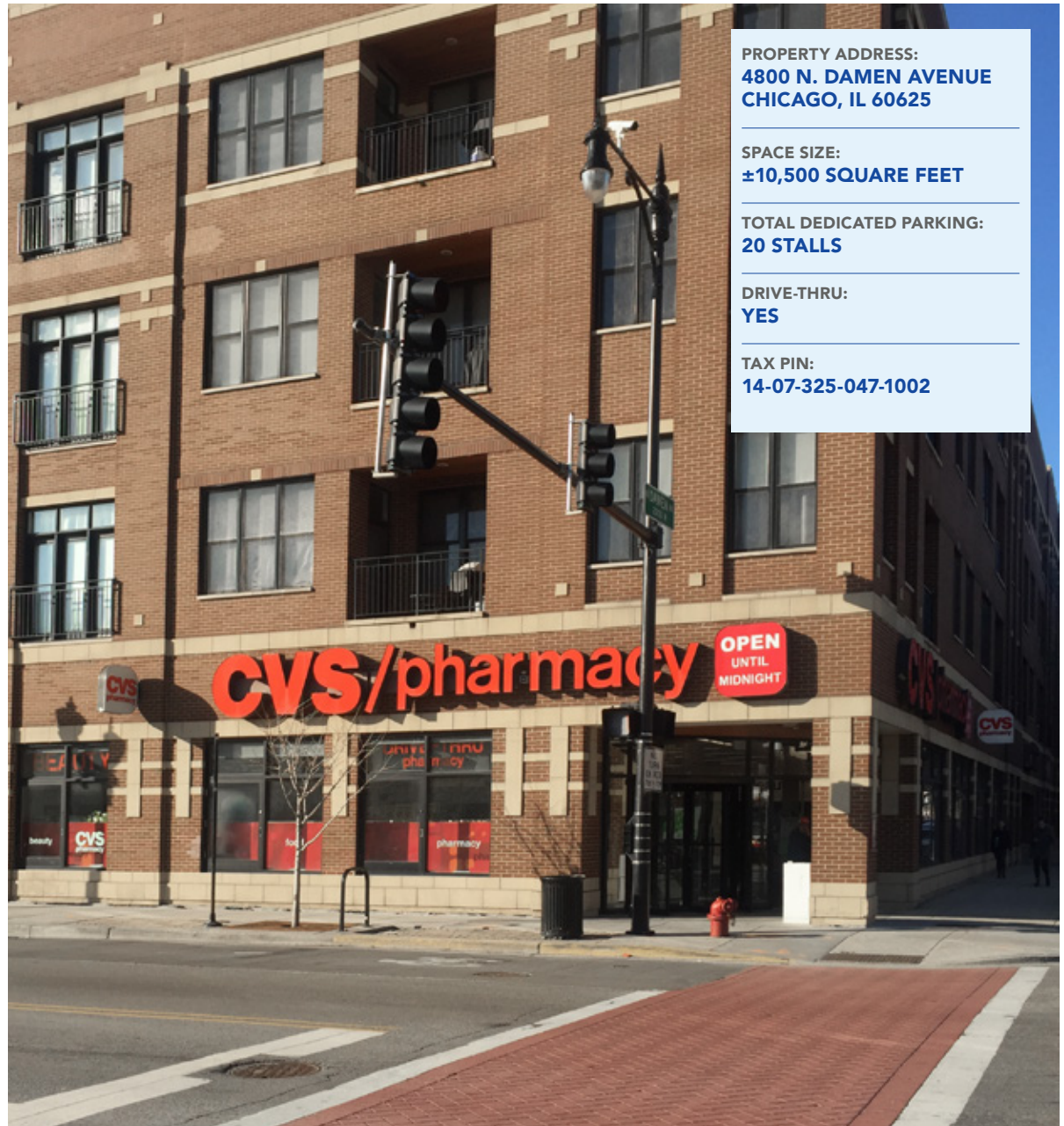


Property Information

CVS is located in the Ravenswood neighborhood of Chicago, IL approximately 6 miles north of downtown Chicago. The property is situated as a ground floor retail condo within an 80,000 SF mixed-use development with 42 residential condo units above. CVS benefits from positioning at a signalized hard corner with exposure to 37,400 VPD as well as 20 reserved parking spaces and a drive-thru, which is extremely rare for an urban infill retail condo.

The retail condo is extremely accessible via public transportation as there are 5 CTA 'L' stations with one mile, including the Rockwell, Western, Damen, and Montrose Brown Line stations and the Lawrence Red Line station. The Brown Line stations had combined ridership of 3.67 million passengers while the Lawrence Red Line station ushered in 1.15 million passengers in 2016, providing the area with solid consumer counts.

The sub-market is anchored by Ravenswood Station, a recently built shopping center featuring 123,650 SF of retail including Mariano's Fresh Market and LA Fitness. Other retailers attracting consumers to the area are Wendy's, Dunkin' Donuts, McDonald's, Walgreens, Jimmy John's, AutoZone, Dollar Tree, U.S. Bank, and Chase Bank, among others.



PROPERTY ADDRESS:
4800 N. DAMEN AVENUE
CHICAGO, IL 60625

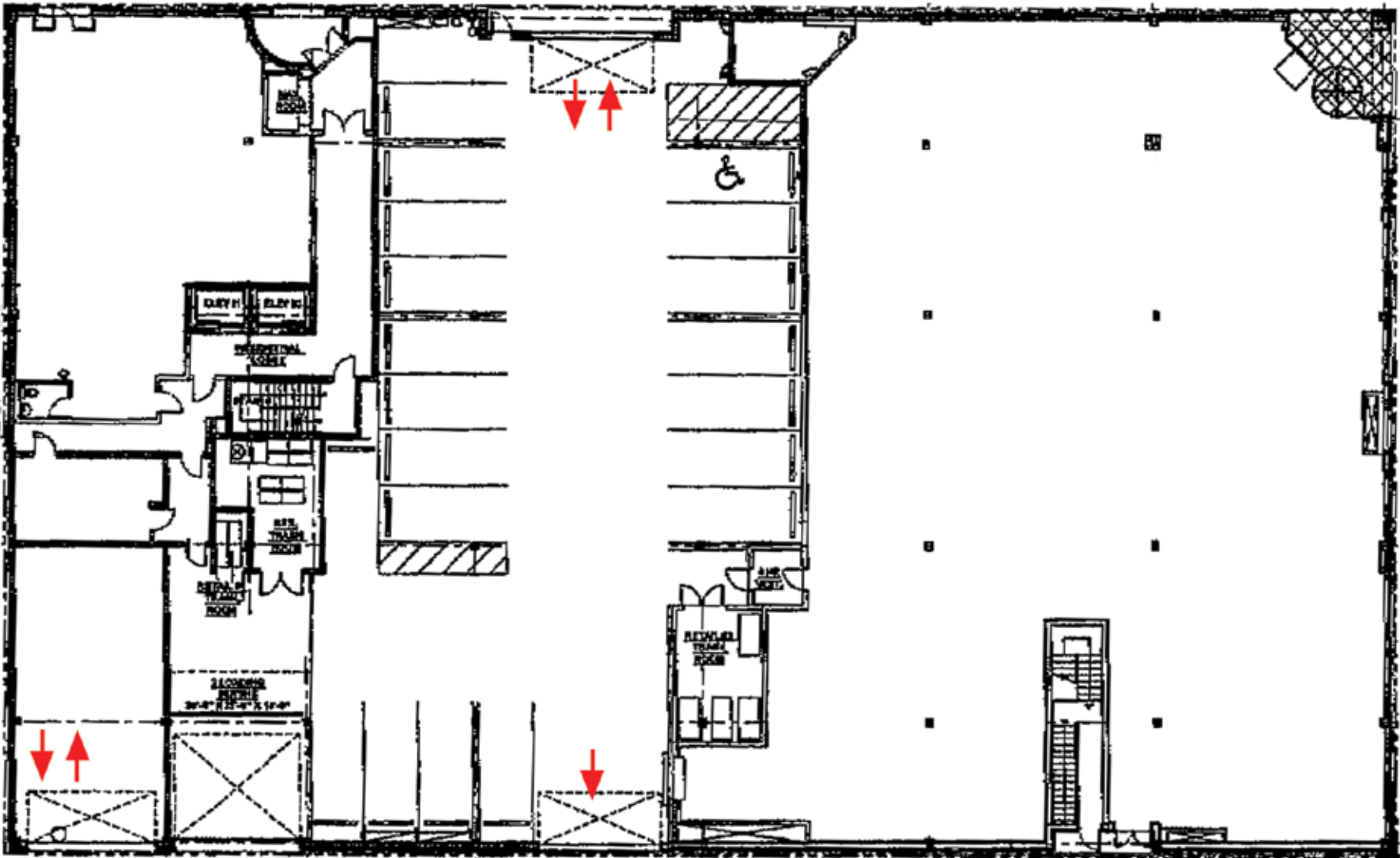
SPACE SIZE:
±10,500 SQUARE FEET

TOTAL DEDICATED PARKING:
20 STALLS

DRIVE-THRU:
YES

TAX PIN:
14-07-325-047-1002

Site Plan



In Place Operating Proforma

Tenant	SF	Annual Rent
CVS	10,500	\$ 304,500
TOTAL	10,500	\$ 304,500
<i>Gross Rental Income</i>		\$ 304,500
<i>Reimbursable Expenses</i>		
HOA Assessment*		\$ 9,450
<i>Total Reimbursements</i>		\$ 9,450
<i>Potential Gross Revenue</i>		\$ 313,950
<i>Effective Gross Revenue</i>		\$ 313,950
<i>Expenses</i>		
HOA Assessment		\$ 14,404
<i>Total Operating Expenses</i>		\$ 14,404
Net Operating Income		\$ 299,546

*Landlord can charge 5% annual increase on HOA reimbursement.



Rent Roll

Tenant	Start Date	Expiration Date	Square Footage	Lease Type	Lease Options Remaining	Start Date	End Date	Monthly Rent	Annual Rent	% Annual Change
CVS	4/15/2005	8/12/2027	10,500	NNN	Four, five year options	4/15/2005	8/12/2027	\$25,375	\$304,500	N/A
					First Renewal Option	8/13/2027	8/12/2032	\$27,913	\$334,950	10.0%
					Second Renewal Option	8/13/2032	8/12/2037	\$30,704	\$368,445	10.0%
					Third Renewal Option	8/13/2037	8/12/2042	\$33,775	\$405,300	10.0%
					Fourth Renewal Option	8/13/2042	8/12/2047	\$37,153	\$445,830	10.0%
Total Square Feet			10,500							



Lease Abstract

Tenant:	Highland Park CVS, LLC
Guarantor:	CVS Corporation
Space Size:	±10,500 Square Feet
Rent Commencement:	4/15/2005
Lease Expiration:	8/12/2027
Annual Base Rent:	\$304,500
Renewal Options:	Four, 5-year options remain
Rent Increases:	10% per option.
Roof & Structure:	Condo association maintains the roof and structure.
Common Area Maintenance:	Condo association maintains the common areas.
HOA Assessment:	Tenant currently reimburses landlord \$9,450 per year for HOA assessments. Landlord may increase charge 5% annually.
Taxes:	Tenant pays taxes directly.
HVAC:	Tenant maintains, repairs, and replaces the HVAC.
Insurance:	Tenant maintains insurance and pays directly. Landlord to maintain insurance and can be reimbursed 100% by tenant.
Utilities:	Tenant pays utilities directly.
Right of First Refusal:	None.

Tenant Overview



CVS Health is the largest drugstore chain in the country with more than 9,800 locations in the United States, Puerto Rico, and Brazil. As the retail arm of CVS Health, CVS Pharmacy sells prescription drugs and a wide assortment of general merchandise including over-the-counter medication, beauty and cosmetic products, film services, seasonal merchandise, and food. In addition to the pharmacy and general merchandise, CVS also offers healthcare services through their 1,100+ MinuteClinic locations which are usually located within the retail locations. CVS caters to more than 5 million customers per day, fills and/or manages 2.5 billion prescriptions, and serves more than 37 million MinuteClinic patients annually.

In December 2017, CVS announced that it would buy Aetna for \$69 billion in cash and stock. The acquisition, which was approved by CVS and Aetna shareholders in March 2018, will combine CVS retail drugstores and pharmacy benefits manager platform with Aetna's insurance business in hopes of lowering costs for the entire industry. The transaction is awaiting approval from the Department of Justice and the companies expect it to close in the second half of 2018.

CVS Health is publicly listed on the New York Stock Exchange under the ticker symbol CVS and holds investment grade credit with S&P of BBB. For the FYE 2017, CVS had close to \$185 billion in revenues and net income of \$6.62 billion.

TENANT:
HIGHLAND PARK CVS, LLC

GUARANTOR:
CVS CORPORATION

OWNERSHIP:
PUBLIC – NYSE: CVS

S & P RATING:
BBB (INVESTMENT GRADE)

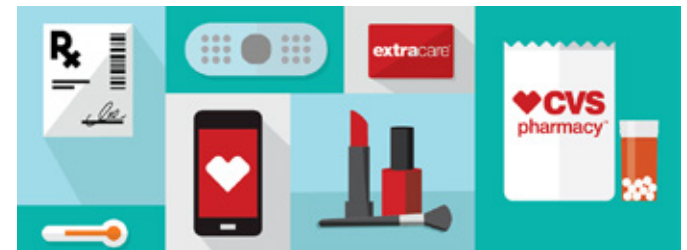
TOTAL LOCATIONS:
9,800+

FYE 2017 REVENUE:
\$184.76B

FYE 2017 NET INCOME:
\$6.62

MARKET CAPITALIZATION (AS OF MARCH 2018):
\$67.7B

WEBSITE:
WWW.CVS.COM



Chicago Economic Overview

3RD LARGEST MSA IN THE U.S.

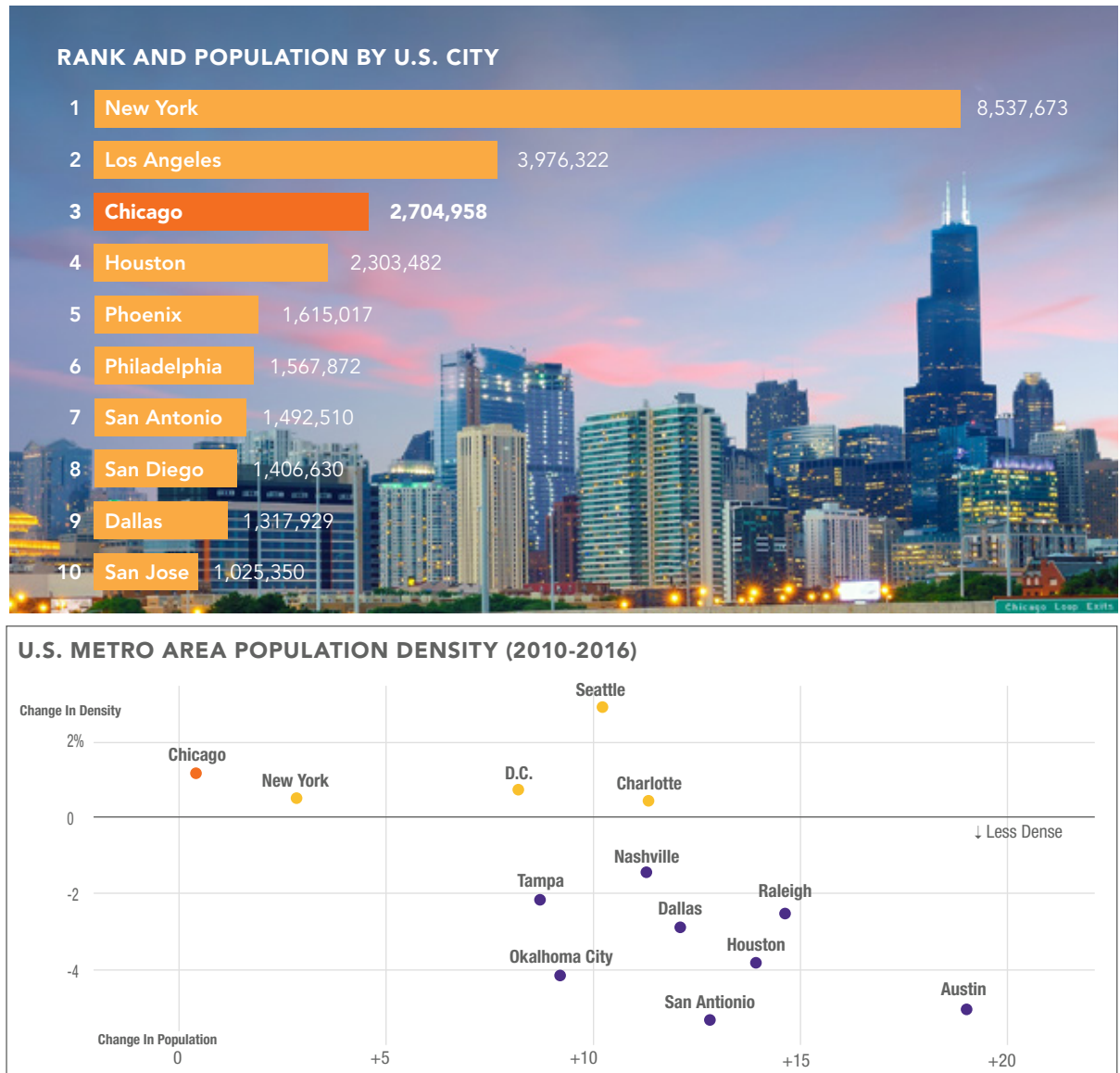
The Chicago MSA is home to approximately 9.5 million residents, making it the third most populous region in the country, encompassing 16 counties across three states: Illinois, Indiana, and Wisconsin. The city of Chicago is the economic and cultural capital of the Midwest, featuring a vibrant downtown district that is filled with world class businesses, restaurants, retail, residences, and entertainment. The strong economic base, skilled labor pool and diverse background make this 24-hour metropolis one of the most important and influential in the world. Chicago features 26 regional malls and 47 sub-regional markets within the MSA.

INCREASING POPULATION DENSITY

Chicago has become noticeably more dense in the last several years, according to a report from the New York Times, which studies data gathered by the U.S. Postal Service and 2016 Census. Between 2010 and 2016, Chicago's density has increased by 1.2% and the report suggests that the city's population is shifting and refocusing with an influx of younger, more affluent residents moving into areas like the Loop, West Loop, and Wicker Park. The only major U.S. city that has become more dense in the same time period is Seattle.

CONSTRUCTION BOOM

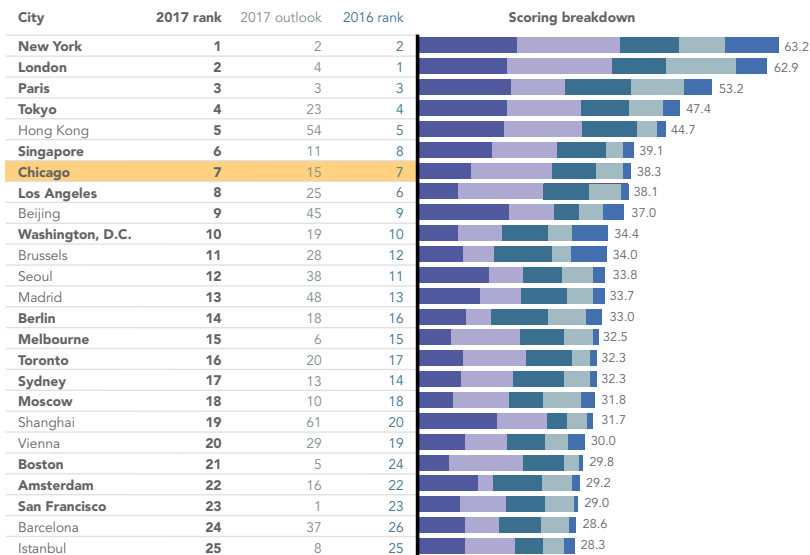
Chicago has been experiencing a construction boom led largely by the demand for new apartments. As of April 2017, 52 high-rise projects are currently under construction, developers are working on delivering new office space, new hotels, new upscale condos, and new rental apartments throughout the city in 2017.



THE TOP 25 ON THE GLOBAL CITIES INDEX & OUTLOOK

GLOBAL CITIES INDEX

Note: **Bold** city names indicate top 25 in both Index and Outlook



- Business activity (30%)
- Human capital (30%)
- Information exchange (15%)
- Cultural experience (15%)
- Political engagement (10%)

AMONG THE TOP 25 GLOBAL CITIES

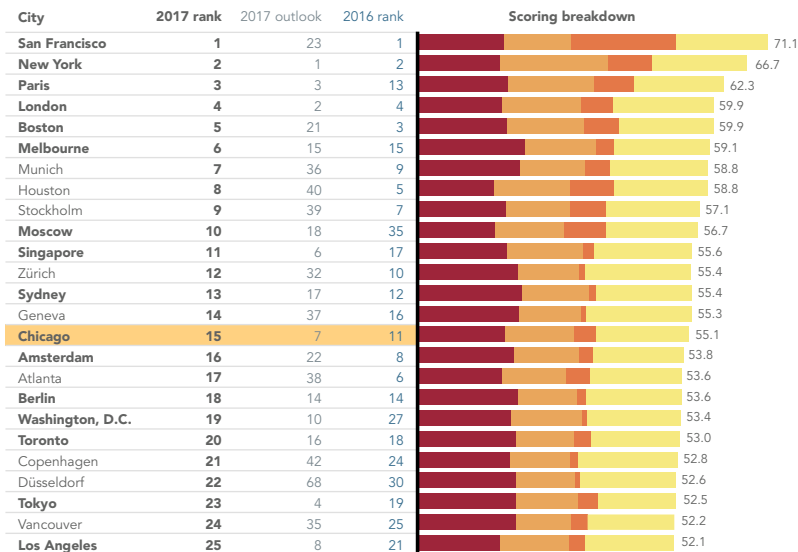
Chicago ranks 7th on the A.T. Kearney 2017 Global Cities Index, which examines cities' performance based metrics spanning five dimensions: business activity, human capital, information exchange, cultural experience, and political engagement; and ranks 15th on the Global Cities Outlook, which evaluates their potential.

Cities in the top 25 on both the Index and the Outlook, like Chicago, are not only performing well, but are also positioned for continued growth and global influence in the future. In 2017, Chicago was one of only 16 cities in the world to make the top 25 of both lists.

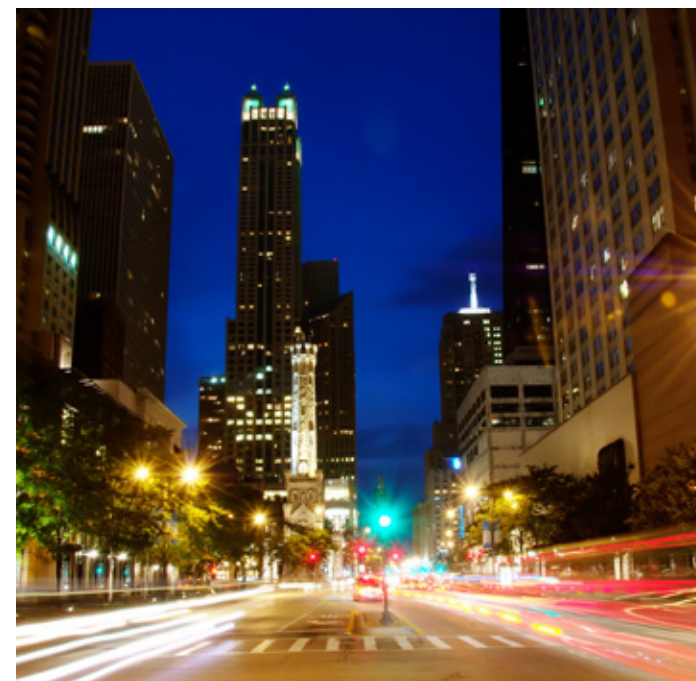
The Global Cities Index examines the current performance of cities based on 27 metrics spanning five dimensions: business activity, human capital, information exchange, cultural experience, and political engagement. The Index provides insights into the global reach, performance, and level of development of the world's largest cities. Source: A.T. Kearney Global Cities 2017.

GLOBAL CITIES OUTLOOK

Note: **Bold** city names indicate top 25 in both Index and Outlook



- Personal well-being (25%)
- Economics (25%)
- Innovation (25%)
- Governance (25%)



2ND HIGHEST GRP IN U.S.

Chicago has the 2nd largest Gross Regional Product in the US, second to New York City, at \$592 billion. This also ranks Chicago 21th in the world in terms of Gross Product, if Chicago were its own country. Additionally, Chicago is the country's most diversified economy, with no single industry employing more than 14% of the workforce. Chicago's primary industries include: Financial Services, Business & Professional Services, Manufacturing, Health Services, and Transportation and Warehousing.

Chicago has one of the world's largest and most diversified economies at over \$561 billion in annual GRP, making it the 4th most economically powerful city in the world.

In 2016, the growth rate of real GDP is expected to be 2.6% — an improvement from the projected 2.2% rate for 2015.

As one of the largest financial centers in North America, the Chicago MSA is home to more than 400 major corporate headquarters, including 31 S&P 500 companies, 34 Fortune 500 companies and 20 FT Global 500 companies, including: Walgreens Boots Alliance, Boeing, United Continental Holdings, McDonald's, Discover Financial and Abbot Laboratories, among others. The city is also home to the largest future exchanges in the US, the CME Group.



*Chicago is home to more than 400 major corporate HQ's, including **34 Fortune 500 companies**, and ranked #2 in North America for International HQ's.*



Fortune 500 Headquarters In the Chicago MSA			
RANK	COMPANY	REVENUES (\$M)	Location
17	Walgreens Boots Alliance	\$117,351	Deerfield, IL
24	Boeing	\$94,571	Chicago, IL
45	Archer Daniels Midland	\$62,346	Chicago, IL
83	United Continental Holdings	\$36,556	Chicago, IL
84	Allstate	\$36,534	Northbrook, IL
89	Exelon	\$31,360	Chicago, IL
106	Kraft Heinz	\$26,487	Chicago, IL
109	Mondelez International	\$25,923	Deerfield, IL
111	AbbVie	\$25,638	North Chicago, IL
112	McDonald's	\$24,622	Oak Brook, IL
124	US Foods	\$22,919	Rosemont, IL
127	Sears Holdings	\$22,138	Hoffman Estates, IL
135	Abbott Laboratories	\$20,853	Abbott Park, IL
197	ConAgra Brands	\$14,134	Chicago, IL
199	CDW	\$13,982	Lincolnshire, IL
202	Illinois Tool Works	\$13,599	Geneva, IL
277	Discover Financial Services	\$10,497	Riverwoods, IL
281	Baxter International	\$10,163	Deerfield, IL
282	W.W. Grainger	\$10,137	Lake Forest, IL
304	LKQ	\$9,082	Chicago, IL
322	Tenneco	\$8,599	Lake Forest, IL
337	Navistar International	\$8,111	Lisle, IL
338	Univar	\$8,074	Downers Grove, IL
359	Anixter International	\$7,625	Glenview, IL
388	R.R. Donnelley & Sons	\$6,896	Chicago, IL
391	Jones Lang LaSalle	\$6,804	Chicago, IL
392	Dover	\$6,794	Downers Grove, IL
427	TreeHouse Foods*	\$6,175	Oak Brook, IL
433	Motorola Solutions	\$6,038	Chicago, IL
439	Old Republic International	\$5,901	Chicago, IL
450	Packaging Corp. of America	\$5,779	Lake Forest, IL
456	Ingredion	\$5,704	Westchester
462	Arthur J. Gallagher	\$5,595	Itasca, IL
487	Essendant	\$5,369	Deerfield, IL

* New to the Fortune 500 in 2017

Source: Fortune Magazine, June 2017

INTERNATIONAL TRAVEL DESTINATION

Chicago ranked as the 2nd most popular travel destination in the US. In 2016, the city hosted a record 53.91 million visitors, a 2.5% increase over 2015. Part of the boost came from the 31 major meetings and conventions held in the city, eight of which had record-setting attendance. Also, Grant Park hosted the NFL Draft for a second consecutive year, Chicago Cubs fans descended on the city for the World Series. Additionally, the city hosted an estimated 1.56 million international visitors, bringing the total number of visitors to a record setting 54.1 million. The increase of 1.5 million additional visitors saw both tourism-supported jobs grow to 145,137 (up 3.3%) and direct tourism-related spending swell to \$15 billion (an increase of 2.6%) in 2016.

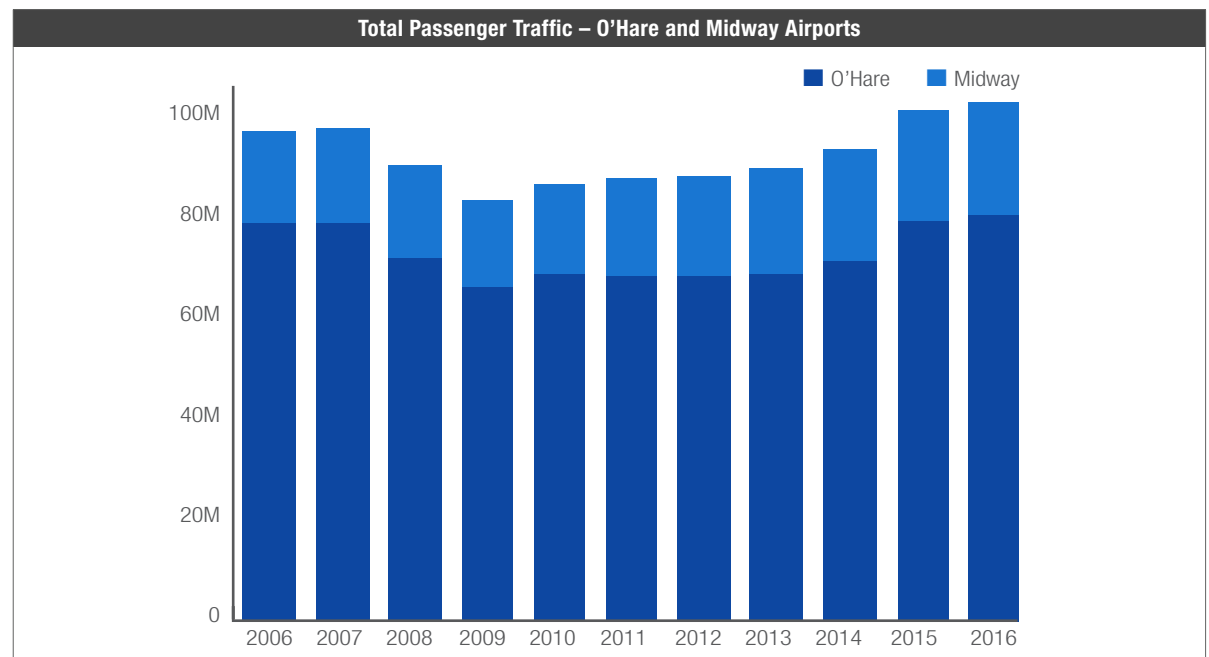


DUAL-HUB AIRPORT SYSTEM

O’Hare International Airport and Midway International Airport, the only “dual-hub” airport system in North America, handles more than 2,800 daily departures and over 100 million passengers annually. Both airports have direct rail access to Downtown Chicago.

“Dual-Hub” airport system has more than 2,800 daily departures and 100 million annual passengers.

O’Hare is ranked #1 best connected airport in the U.S. because all major North American markets are within a 4-hour flight. Currently, O’Hare is undergoing a \$6.6 billion, 20-year expansion reducing flight delays and increasing flight capacity into the foreseeable future.



Source: Chicago Department of Aviation

WORLD CLASS EDUCATION

Northwestern University, the University of Chicago, the University of Illinois at Chicago, DePaul University and Loyola University are all located within the Chicago MSA. There are also more than 325,000 students, with 58,000 in the Loop alone, who attend over 60 higher education institutions throughout the metropolitan area, supplying the city with a young and talented workforce. Of the 60 institutions, 2 are Top 20 Universities in the US and is a Top 10 University in the World. Chicago is also ranked as the #1 Metro for Big Ten Alumni and the #1 City for Recent College Grads.

The Chicago MSA is home to more than 60 colleges & universities, including: Northwestern University, The University of Chicago, University of Illinois at Chicago, DePaul University and Loyola University.



①

Cost of Business by Metro Area

City	Index
Atlanta	95.1
Houston	97.6
Chicago	98.3
Philadelphia	99.8
Los Angeles	100.8
Boston	104.5
San Francisco	104.5
New York City	104.7



②

GROWING ECONOMY

Chicago is top-ranked for economic potential among major cities across the world. As of 2016, Chicago remains the #1 ranked city for Metro Corporate Investments in the US and Inc. Magazine ranked Chicago #4 "Number of Fastest Growing Companies in the US". World Business Chicago identified more than 675 new & expanding facilities announced, under development, or completed in the metro area in 2013, representing a total of 35 million square feet and \$6 billion in economic development activity. Also, Chicago's list of active and new retailers has increased 25% since 2013, with 55 of these being new entrants to the market. Other factors contributing to Chicago's growing economy are a decline in unemployment and interest rates, as well as having the highest consumer confidence index since 2008.

IMAGES

① University of Chicago - Mansueto Library

② Navy Pier

Confidentiality Disclosure

Baum Realty Group, LLC (“Baum”) has been retained as the exclusive broker by the Owner of Record (“the Owner”) of 4800 N. Damen Avenue in Chicago, IL in connection with the sale of certain properties (“the Property”) as described in this Offering Memorandum.

This Offering Memorandum has been prepared by Baum for use by a limited number of parties, and does not purport to provide a necessarily accurate summary of the physical or economic aspects of the Property or any of the documents related thereto, nor does it purport to be all inclusive or to contain all of the information which prospective investors may need or desire further, the Offering Memorandum is limited to the matters set forth therein. All budgets or projections have been developed by Baum and Owner, and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Baum and therefore are subject to variation. Each of Baum and Owner makes no representation as to the accuracy or completeness of the information contained herein, and nothing contained herein is, or shall be relied on as a promise or representation as to the future performance of the Property. Although the information contained herein is believed to be correct, Baum and its employees, and Owner, and its trustees, officers, and employees disclaim any and all liability for representations and warranties, expressed and implied, contained in, or omissions from the Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. The Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property Owner as of the date of preparation of the Offering Memorandum.

Additional information and an opportunity to inspect the Property will be made available upon written request to interested and qualified prospective investors.

Owner expressly reserves the right, at its sole discretion, to reject any or all expressions of interest or offers regarding the property, and/or terminate discussions with any entity at any time with or without notice. Owner shall have no legal commitment or obligations to any entity reviewing the Offering Memorandum or making an offer to purchase the property unless and until such offer is approved by Owner and the Board of Trustees of Owner and a written agreement for the purchase of the Property has been fully executed, delivered and approved by Owner and its legal counsel, and any conditions to Owner’s obligations hereunder have been satisfied or waived.

This Offering Memorandum and the contents, except such information that is a matter of public record or is provided in sources available to the public, are of a confidential nature. By accepting this Offering Memorandum, you acknowledge that you have executed, and have agreed to be bound by, the Confidentiality Agreement with Baum and Owner.

CONFIDENTIAL OFFERING MEMORANDUM

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