



3500 STINE RD. | BAKERSFIELD, CA 93309  
OFFERING MEMORANDUM



EXCLUSIVELY OFFERED BY:

**MATT McNEILL**

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NET LEASE INVESTMENTS



# DISCLAIMER

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Cushman & Wakefield has been retained as exclusive advisor to the Seller for the sale of the CVS Pharmacy parcel (the “Property”), approximately 25,739± square feet on 2.39± acres located at 3500 Stine Rd., Bakersfield, CA 93309.

This Offering Memorandum has been prepared by Cushman & Wakefield for use by a limited number of parties and does not purport to provide a necessarily complete summary 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. All projections have been developed by Cushman & Wakefield, the Owner, and designated sources and are based upon assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and Cushman & Wakefield, therefore, are subject to variation. No representation is made by Cushman & Wakefield or Owner 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, Owner and its employees disclaim any responsibility for inaccuracies and expect prospective purchasers to exercise independent due diligence in verifying all such information. Further, Cushman & Wakefield, Owner, and its employees disclaim any and all liability for representations and warranties, expressed and

implied, contained in, and omitted from, this Offering Memorandum or any other written or oral communication transmitted or made available to the recipient. This Offering Memorandum does not constitute a representation that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the package. Analysis and verification of the information contained in this package is solely the responsibility of the prospective purchaser.

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

Owner and Cushman & Wakefield each expressly reserve the right, at their sole discretion, to reject any and 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 obligation to any entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until 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 thereunder have been satisfied or waived. Cushman & Wakefield is not authorized to make any representations or agreements on behalf of Owner.

This Offering Memorandum and the contents, except such information which is a matter

of public record or is provided in sources available to the public (such contents as so limited herein are called the “Contents”), are of a confidential nature. By accepting the package, you agree (i) to hold and treat it in the strictest confidence, (ii) not to photocopy or duplicate it, (iii) not to disclose the package or any of the contents to any other entity (except to outside advisors retained by you, if necessary, for your determination of whether or not to make a proposal and from whom you have obtained an agreement of confidentiality) without the prior written authorization of Owner or Cushman & Wakefield, (iv) to not use the package or any of the contents in any fashion or manner detrimental to the interest of Owner or Cushman & Wakefield, and (v) to return it to Cushman & Wakefield immediately upon request of Cushman & Wakefield or Owner.

*The information contained herein has been obtained from the owner of the property or from other sources we deem reliable. We have no reason to doubt its accuracy, but we do not guarantee it.*

**If you have no further interest in the Property, please return this Investment Offering Memorandum forthwith.**

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# EXECUTIVE SUMMARY



TENANT:	<b>CVS Pharmacy</b>
LOCATION:	3500 Stine Road Bakersfield, CA 93309
PARCEL NUMBER:	403-020-12-00-8
BUILDING SIZE:	~25,739 square feet
LAND SIZE:	2.39 acres
YEAR BUILT:	1983
LEASE EXPIRATION:	February 28, 2025
REMAINING LEASE TERM:	~5.5 years
OPTIONS:	Two (2) five (5) year options
RENT ADJUSTMENT:	Flat
LEASE TYPE:	Absolute NNN Lease, no landlord responsibilities

PRICE	CAP	NOI
<b>\$3,349,885</b>	<b>5.25%</b>	<b>\$175,869</b>



## INVESTMENT HIGHLIGHTS

- Absolute NNN Lease - no landlord maintenance responsibilities
- Strong store sales performance (contact broker for details)
- Corporate Guarantee, CVS Health Corporation (NYSE: CVS) - Investment Grade Credit Tenant (BBB+ S&P) - \$193.9 billion in revenue for 2018
- Low Rent, \$6.83 PSF - provides replacement rental protection
- Lease Comps in the immediate area average \$11.26 PSF
- Large Lot size & Store format, 2.22 acres of land & 25,739 SF. Compares favorably when compared with average new construction locations, 1.8 acres & 14,500 SF
- Limited Competition - no National Pharmacies located within 1.5 miles of the subject property
- High Traffic Location - Over 34,350 cars per day at the hard-corner, signalized Intersection of Stine Road (one of the main north/south thoroughfares) and Planz Road
- Dense in-fill Demographics Surrounding the Site - population over 20,000 within 1 mile, 161,913 population within a 3 mile radius
- High Growth Area - 5 mile population has increased by 10.9% since 2010, and is projected to increase by an additional 5% in the next 5 years
- Strong Income area, \$71,587 Average Household Income within 5 mile radius
- Located in Stockdale Town Center, a 176,000 SF Shopping Center - in the heart of the Stockdale master-planned community in the highly desirable southwest Bakersfield
- 1.5 miles south of West High School, with over 2,000 students
- 4 miles southeast of California State University, Bakersfield, with over 10,500 students and 1,200 faculty and staff members
- 7 miles from Downtown Bakersfield



# COMPETITION MAP



# TRAFFIC COUNTS



# — BAKERSFIELD, CA —



POPULATION

**383K+**



LABOR FORCE

**387K+**



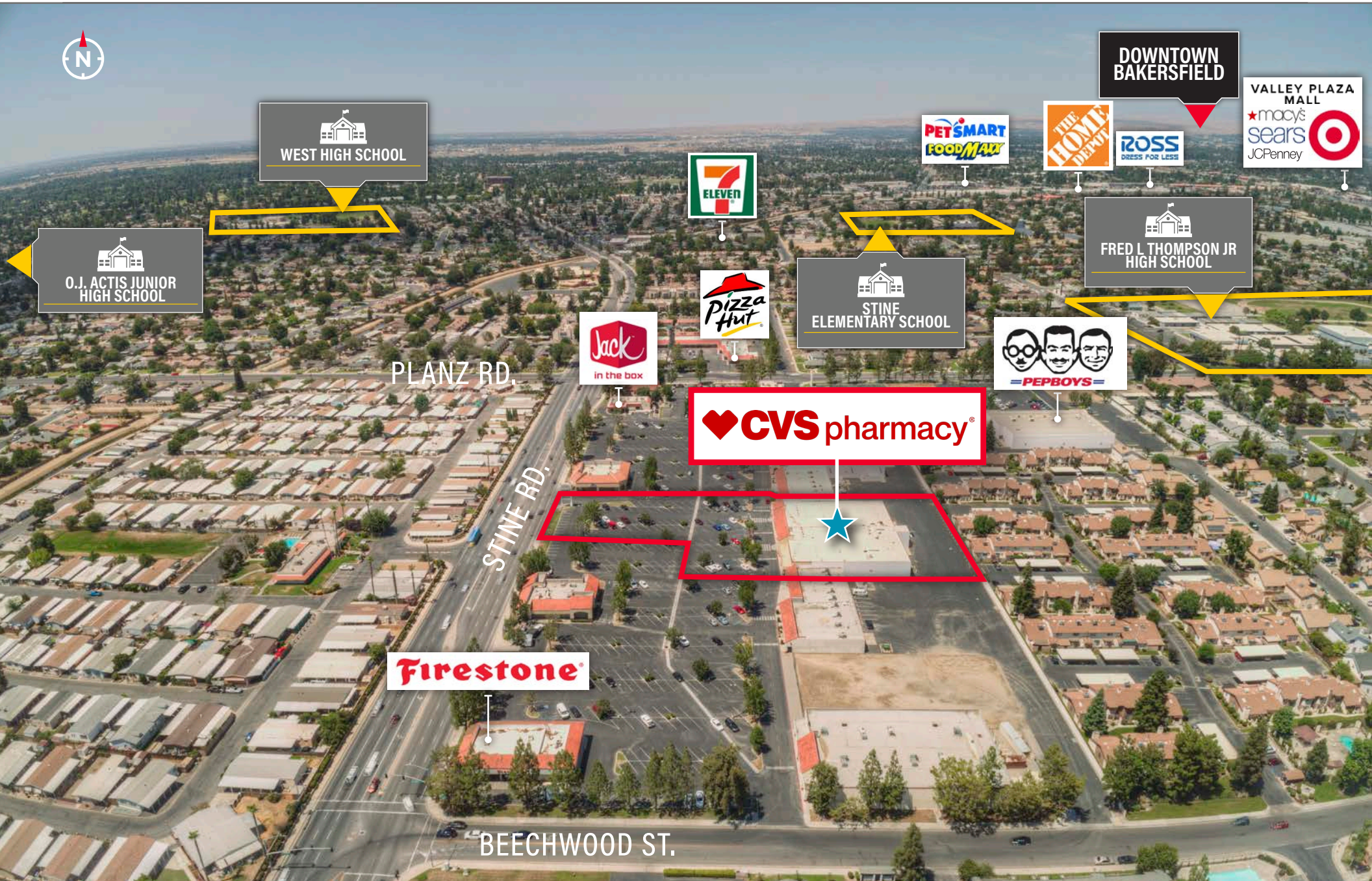
2017 GROSS DOMESTIC PRODUCT

**\$37.34B**

# AERIAL PHOTO - SOUTH FACING



# AERIAL PHOTO - NORTH FACING



WEST HIGH SCHOOL

O.J. ACTIS JUNIOR HIGH SCHOOL



STINE ELEMENTARY SCHOOL



PLANZ RD.

STINE RD.

CVS pharmacy



FRED L THOMPSON JR HIGH SCHOOL



DOWNTOWN BAKERSFIELD

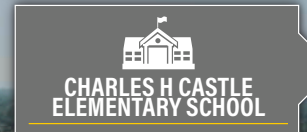


Firestone

BEECHWOOD ST.



# AERIAL PHOTO - WEST FACING



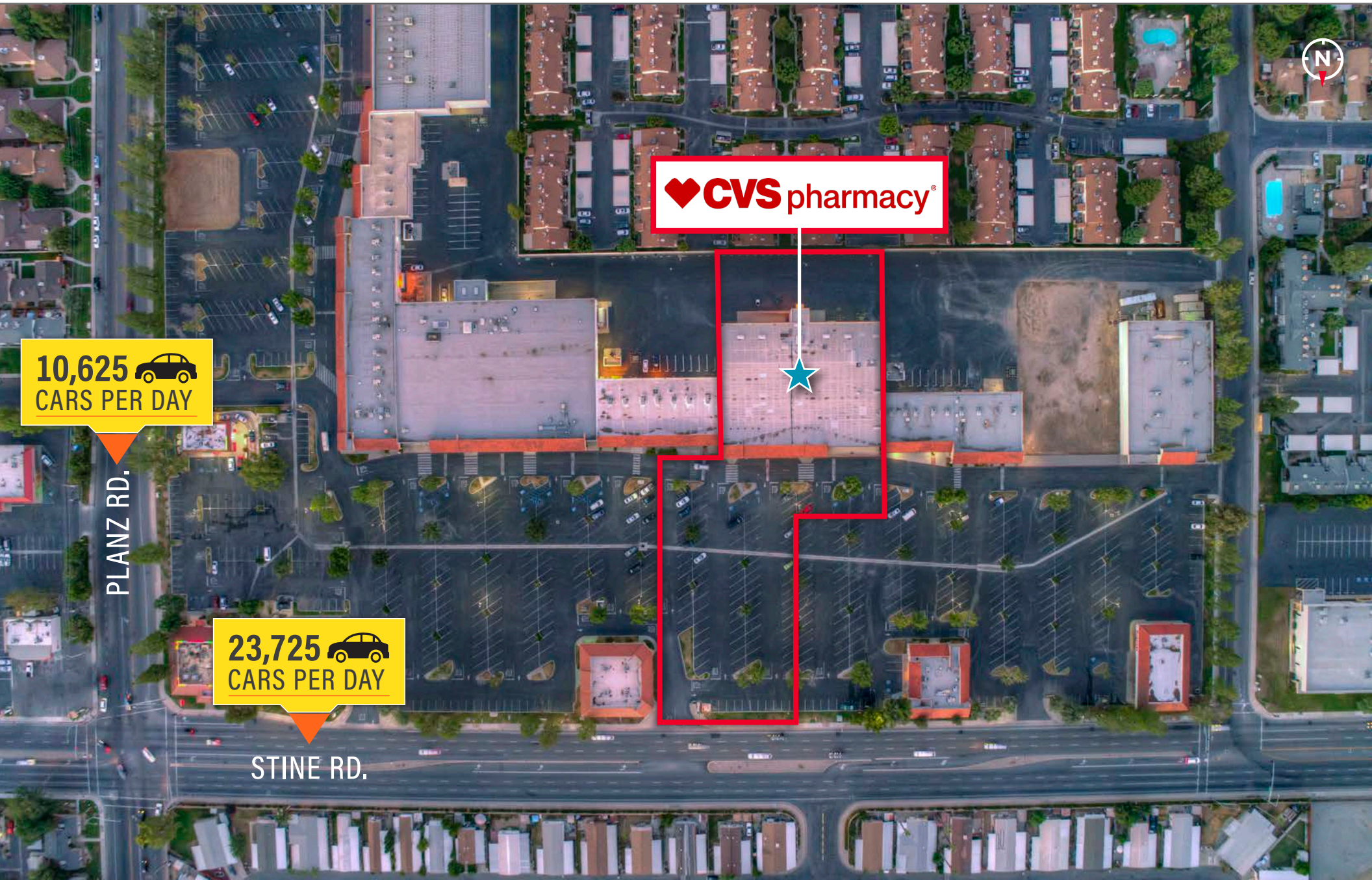
STINE RD.

PLANZ RD.

# AERIAL PHOTO - EAST FACING



# SITE PLAN





PROPERTY  
PHOTOS



# TENANT PROFILE



## CVS Health Corp.

Parent Company: CVS Health Corp.  
(NYSE: CVS)

<b>S&amp;P CREDIT RATING:</b>	BBB
<b>2018 REVENUE (\$ BIL):</b>	\$193.91
<b>2018 NET WORTH (\$ BIL):</b>	\$58.54
<b># OF LOCATIONS (2018):</b>	9,900+
<b># OF EMPLOYEES (2018):</b>	295,000+

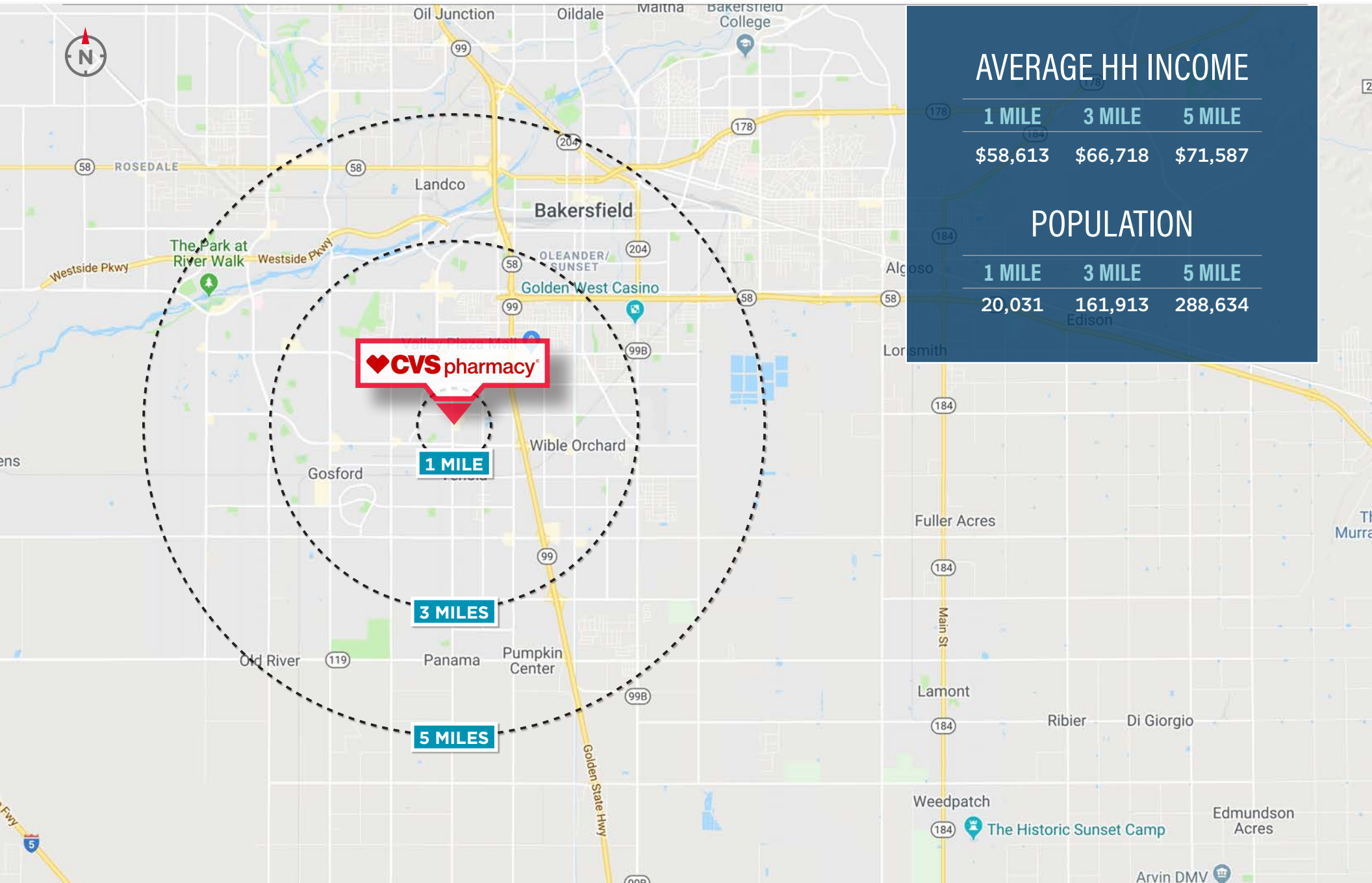
CVS Health Corporation is a pharmaceutical company primarily engaged in the provision of healthcare solutions through its pharmacies and walk-in clinics. CVS Health rated as the 7th largest company in the world according to the latest iteration of the Fortune 500, and CVS Pharmacy is the second largest retail pharmacy by number of locations - it's more than 9,900 stores trails only Walgreens. The company was also ranked by Fortune as the 39th "Most Admired Company" in the world.

The company's retail pharmacy chain, CVS/pharmacy, generates 75% of its revenue from the pharmacy business and also sells over-the-counter drugs, beauty products, cosmetics, seasonal merchandise, greeting cards, convenience foods, photo finishing and health care services. CVS Caremark's Pharmacy Services division provides comprehensive prescription benefit management services to employers, insurance companies, unions, government employee groups, managed care organizations and other sponsors of health benefit plans and individuals.

In December of 2017 CVS agreed to acquire Aetna for \$69 billion in a deal that would combine the drugstore giant with one of the biggest health insurers in the United States with the potential to reshape the nation's health care industry. Together, the companies touch most of the basic health services that people regularly use, providing an opportunity to benefit consumers. CVS reported most recent annual revenue of \$184.7 billion and has approximately 295,000 employees.

Website: <http://www.cvs.com/>

# DEMOGRAPHICS - 2018



AVERAGE HH INCOME		
1 MILE	3 MILE	5 MILE
\$58,613	\$66,718	\$71,587
POPULATION		
1 MILE	3 MILE	5 MILE
20,031	161,913	288,634

# BAKERSFIELD, CA

Bakersfield is a city located near the southern end of the San Joaquin Valley and the Central Valley region in Kern County, California. Bakersfield's population is approximately 380,000, making it the ninth-most populous city in California and the 52nd most populous city in the nation. The Bakersfield-Delano Metropolitan Statistical Area, which includes all of Kern County, had a 2010 census population of 839,631, making it the 62nd largest metropolitan area in the United States. Bakersfield along with East Bakersfield, Oildale and Rosedale, has a population of approximately 520,000. The city is a significant hub for both agriculture and oil production. Kern County is the most productive oil producing county, and the fourth most productive agricultural county (by value) in the United States. Industries include natural gas and other energy extraction, aerospace, mining, petroleum refining, manufacturing, distribution, food processing, and corporate/regional headquarters.

Bakersfield's historic and primary industries have related to Kern County's two main industries, oil and agriculture. Kern County in 2013 was the most oil productive county in America. Kern County is a part of the highly productive San Joaquin Valley and ranks in the top five most productive agricultural counties in the nation. Major crops for Kern County include: grapes, citrus, almonds, carrots, alfalfa, cotton, and roses. The city serves as the home for both corporate and regional headquarters of companies engaged in these industries.

<https://bakersfieldcity.us/>

<https://www.visitbakersfield.com/>

<https://www.bakersfieldchamber.org/>

<https://realestate.usnews.com/places/california/bakersfield>

<https://www.kerncounty.com/>

<https://www.forbes.com/places/ca/bakersfield/>

<http://www.lifestyletoursonline.com/location/bakersfield>

Bakersfield also has a growing manufacturing and distribution sector. Several companies have moved to Bakersfield because of its inexpensive land and access to international ports in both Los Angeles and Oakland. Other companies have opened regional offices and non-oil/agricultural businesses because of Bakersfield's and Kern County's business friendly policies, such as having no local utility or inventory taxes. Products manufactured in the city include: ice cream (world's largest ice cream plant), central vacuums, highway paint, and stock racing cars.

Bakersfield is the largest city with the lowest sales tax in California at the state minimum of 7.25%.



# CVS/pharmacy<sup>®</sup>

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