



Confidential Offering Memorandum

13400 S. Monarch Meadows Pkwy.
Herriman, UT 84096 (Salt Lake City MSA)

\$3,665,000 Offering Price
\$165,000 NOI

- Absolute Ground lease 25 years w/ Eight 5 yr options
- Fee simple ownership
- No Landlord expense or Rent Holiday
- 5% Rent increase at each 5-yr option period
- S&P Rating: BBB+ -Strong Credit
- High growth area: Next to the new Mountain View Place retail center and (2000+ residential development)
- Residual Land Value: Under Market Ground Rent



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In cooperation with
Scott Brady
Mountain West
Commercial Real Estate
Licensed Utah Broker

NAICapital
COMMERCIAL REAL ESTATE SERVICES, WORLDWIDE

NAI Capital, Inc. and Brian Bethea have been retained on an exclusive basis to market the property described herein 13400 South Monarch Meadows, Herriman, UT Broker NAI Capital has been authorized by seller of the property CVS Pharmacy to prepare and distribute the enclosed information for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and the prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction

and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates, agents, representatives, employees, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such performance or pro forma. Purchaser must make

its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

Section I Property Overview

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- Tenant Profile
- Rent Roll
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- Financial Overview
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- Aerial Views

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SECTION I

Property Overview



Offering Summary

Address	13400 S. Monarch Meadows Pkwy.
City/State	Herriman, UT
Year Completed	2014
Building Size	±15,300 SF Approx
Lot Size	±1.70 Acres Approx
Tenant	Utah CVS Pharmacy , LLC CVS #10308201 Guarantor: CVS Caremark Corporation
Lease Terms	25 year fee simple ground lease, eight 5-year extension options with 5% rent increases at each option period
Price	\$3,665,000
Annual Rent	\$165,000/ Absolute NNN (\$10.79 PSF)
CAP Rate	4.5%
Lease Expiration	01-31-2040 (21½ years remaining)



Tenant Profile

CVS Health (NYSE: CVS; S&P: BBB+)

CVS Health Corporation (formerly CVS Caremark Corp.) together with its subsidiaries is one of the largest pharmacy health care providers in the United States; with integrated offerings across the entire spectrum of pharmacy care. CVS is unique among the big three retail drugstore chains (Walgreen's, Rite Aid, CVS), in that it operates its own pharmacy benefit management ("PBM"), and is thus, an integrated pharmacy health care provider. CVS's offerings include pharmacy benefit management services; mail order, retail and specialty pharmacy; disease management programs; and retail clinics. CVS operates drugstores throughout the U.S., the District of Columbia, and Puerto Rico.

The company has launched assertive growth plans in recent quarters. In June 2015, it announced the \$1.9 billion purchase of Target's pharmacy business, a deal which brings the total store count to 9,600 and adds sites in west coast metro areas CVS hadn't previously serviced—including Portland, Seattle, Denver, and Salt Lake City.

In August 2015 the company completed a \$12.9 billion acquisition of pharmacy services firm Omnicare, which helps manage specialty pharmaceutical distribution to long-term care facilities, among other medical environments.

As of April 2017, CVS operated 9,600 retail locations in the U.S. and Brazil. Its stores sell prescription drugs, as well as other products such as nonprescription medications, health and beauty aids, and cosmetics. The company also operates the nation's largest medical care clinic, with more than 1,100 MinuteClinic® health

care clinics throughout the country. MinuteClinics are staffed by nurse practitioners and physician assistants, who utilize nationally recognized protocols to diagnose and treat minor health conditions, perform health screenings, monitor chronic conditions, and deliver vaccinations. CVS expects to grow MinuteClinic® to 1,500 locations in more than 35 states in 2017.

Strategy

Formerly known as CVS Caremark, the company rebranded as CVS Health in 2014—and in so doing announced it was eliminating the sale of tobacco products that year across its network of stores, in keeping with the "health" side of its corporate mission. CVS has four divisions—pharmacy, Caremark (pharmacy benefits management and mail service pharmacy), MinuteClinic walk-in clinics, and specialty pharmacy management. The company acquired Caremark in 2007, and now serves 75 million plan members via that division.

Store Profile

As of April 2017, CVS operated 9,600 retail stores in 49 states, the District of Columbia, Puerto Rico, and Brazil under the CVS pharmacy name. CVS/pharmacy stores sell prescription drugs and a wide assortment of general merchandise—front-end products. Typical retail stores range in size from approximately 5,000 to 25,000 square feet, although most new stores range in size from approximately 8,000 to 13,000 square feet and typically include a drive-thru pharmacy. In 2016, CVS filled or managed 2.4 billion prescriptions, representing the capture of 39% of the past 5-year U.S. market prescription growth.



Financial Summary

Total revenue for 2016 increased 15.8% to a record \$177.5 billion, up from \$153.3 billion in the year prior, while operating profit in 2016 rose 9.3% to \$10.3 billion. Adjusted earnings per share from continuing operations rose by more than 6% to \$4.91 from \$4.62. CVS generated USD \$8.1 billion in free cash flow in 2016, and the company's dividends per share rose in 2016 to \$1.70 from \$1.40.

Rent Roll

Tenant	SF	Lease Start	Lease Expiration	Rent/SF	Monthly Rent	Lease Type	Option
CVS Pharmacy	15,300	2-19-2014	1-31-2040	\$10.79	\$13,750.50	NNN Ground Lease	Eight 5-year options at 5% Increases every 5 years



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Income & Expenses



Income 2018

Annual Base Rent	\$165,000
Total Income	\$165,000

Expenses

CAM	Tenant Responsibility
Insurance & Real Estate Taxes	Tenant Responsibility
Repairs & Maintenance	Tenant Responsibility
Roof & Structure	Tenant Responsibility

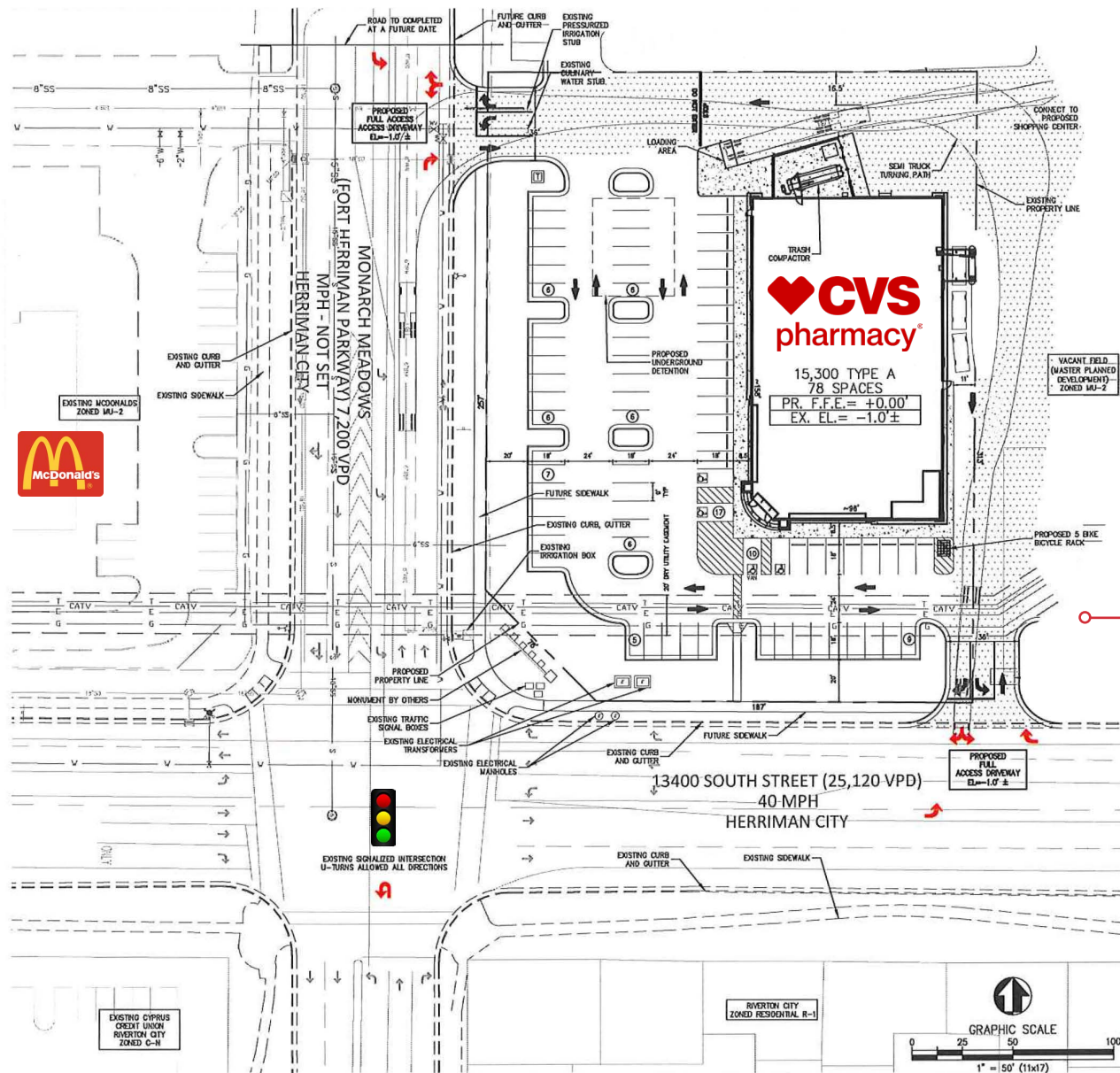


Financial Overview



Period	Annual Fixed Rent	Monthly Installments
Initial term (2/2014) - (1/2040) eight 5 year options	\$165,000.00	\$13,750.50
First (1) renewal Period	\$173,250.00	\$14,437.50
Second (2) renewal Period	\$181,912.50	\$15,159.38
Third (3) Renewal Period	\$191,008.13	\$15,917.34
Fourth (4) Renewal Period	\$200,558.53	\$16,713.21
Fifth (5) Renewal Period	\$210,586.46	\$17,548.87
Sixth (6) Renewal Period	\$221,115.78	\$18,426.32
Seventh (7) Renewal Period	\$232,171.57	\$19,347.63
Eighth (8) Renewal Period	\$243,780.15	\$20,315.01

Site Plan



Floor Plan measurements are approximate and are for illustrative purposes only. While we do not doubt the floor plans accuracy, we make no guarantee, warranty or representation as to the accuracy and completeness of the floor plan.

Property Photos



Property Photos



Aerial Views



Location Information

Utah's 6.08%

population gain made it the fourth fastest growing state this decade, and more than double the national average of

3.10%

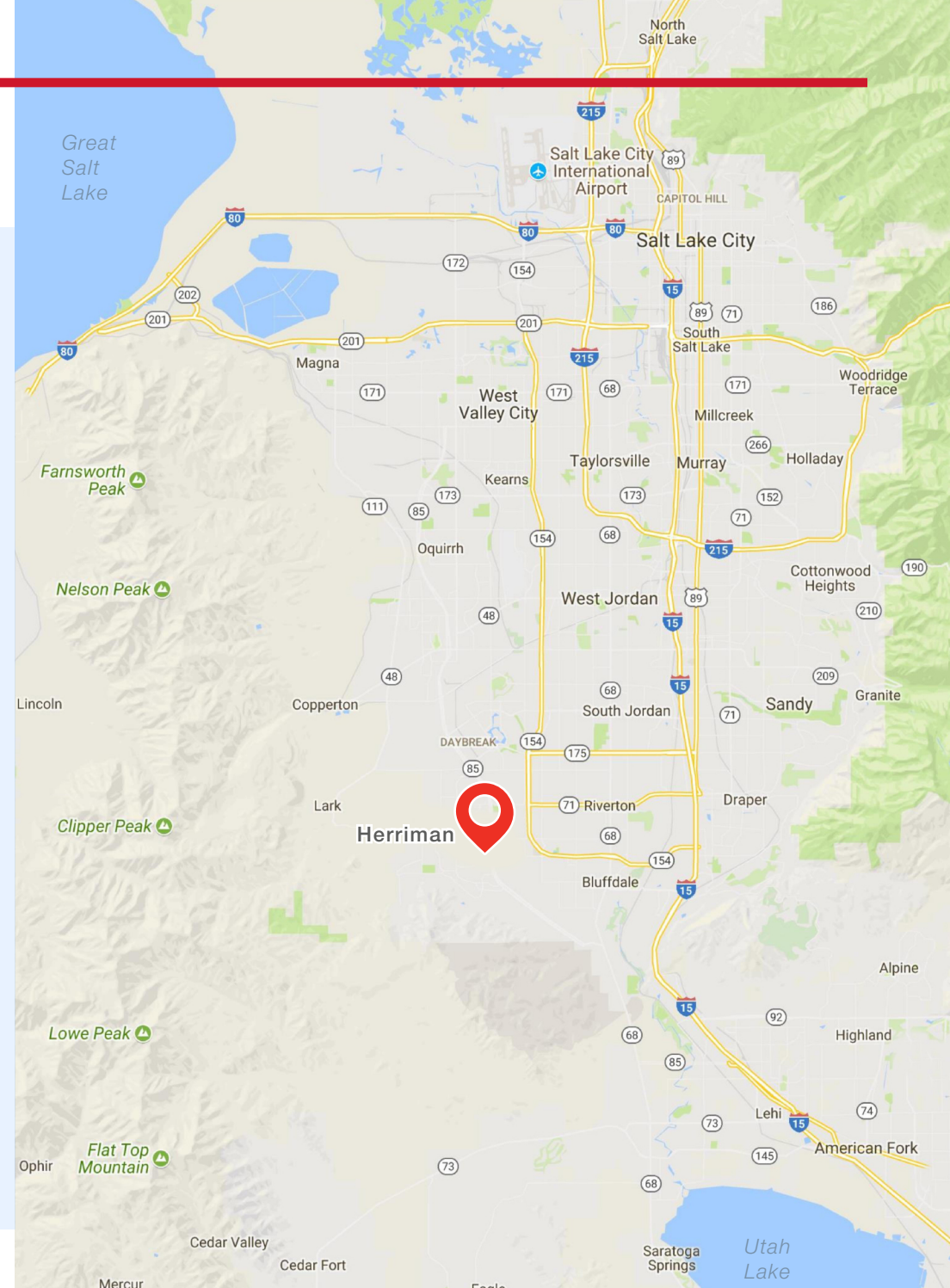
The Top five cities for the population increases in terms of raw numbers were South Jordan, Lehi, West Jordan, Saratoga Springs and **Herriman**. All located within Mountain View Place Trade Area. *Source: The Salt Lake Tribune

The Location

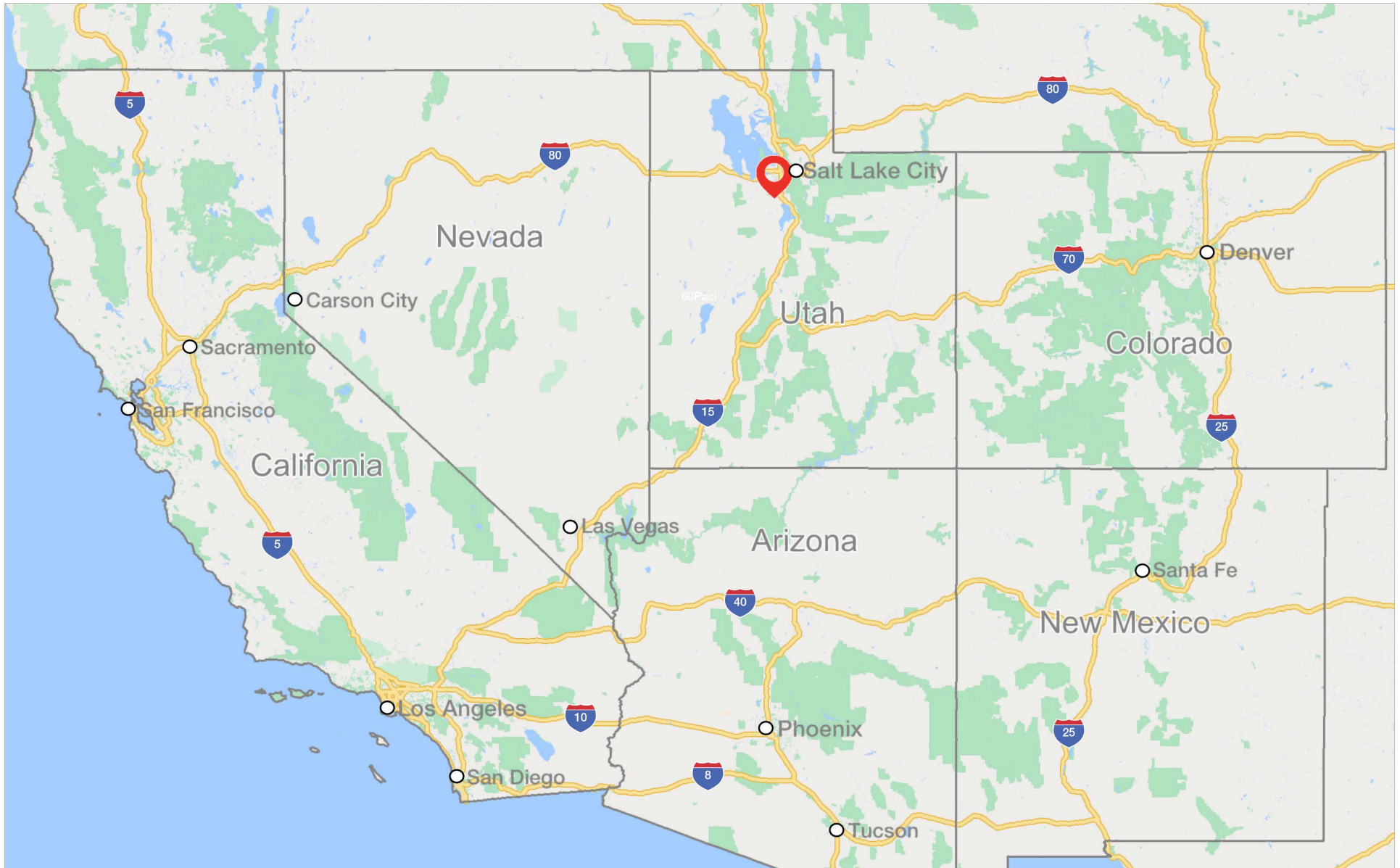
This four year old CVS drive-thru pharmacy is strategically located on the busy, signalized corner intersection of South Street and Monarch Meadows Pkwy, at the entrance to the new Herriman Towne Center (a master planned community of 2,000+ homes) and is just blocks from the new Mountain View Corridor Interchange feeding into downtown Salt Lake City.

Twenty miles southwest of Salt Lake City, Herriman is one of the fastest growing master planned communities in Utah. Utah in general is one of the fastest growing states in terms of population growth. Forbes Magazine ranks Utah as one of the **“best states for business”** and most **“fiscally fit”**. The forty mile strip between Salt Lake City/Herriman and Provo has been described by “The Economist” as **“the world’s second biggest swathe of software and computer engineering firms after California’s Silicon Valley”**.

CVS Caremark is the largest pharmacy healthcare provider in the United States and is ranked #18 on the Fortune 500 list. CVS is one of the largest and best run companies in the United States with over 7,100 retail store in 41 states, including Puerto Rico and the District of Columbia. The company has an S&P Rating of BBB+ with a market cap of nearly \$60 billion.



Regional Map



Demographics



Estimated Population

1 mile - 15,410
3 mile - 80,297
5 mile - 147,496



Historical Annual Change

1 mile - 38%
3 mile - 28.1%
5 mile - 14.0%



Average Household Income

1 mile - \$87,580
3 mile - \$98,396
5 mile - \$104,690



Median Household Income

1 mile - \$97,734
3 mile - \$97,830
5 mile - \$99,165

Area Retail Map



Mountain View Place

TJ-maxx *Michaels*
Where Creativity Happens

PETSMART **HARMONS**
NEIGHBORHOOD GROCERIES

ULTA **KIRKLAND'S**

Neighboring Retailers

Mountain View Place

TJ-maxx *Michaels*
Where Creativity Happens™

PETSMART **HARMONS**
NEIGHBORHOOD GROCERIES

ULTA **KIRKLAND'S**
BEAUTY



Fort Herriman Pkwy



B&B Insurance



13400 S. Monarch Meadows Pkwy





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Net Lease Investment Offering
Absolute Ground Lease

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