



# New Orleans MSA

Jefferson, Louisiana

Near Tulane, Loyola & Xavier Universities

→ High Traffic Location: 29,000 VPD

→ 18 Year Remaining Term

→ Projected Growth Area

→ At Major Hospital (602-Bed)

→ 130,000+ Population 3-Miles

→ Regional Medical Corridor



AT OCHSNER REGIONAL MEDICAL CENTER

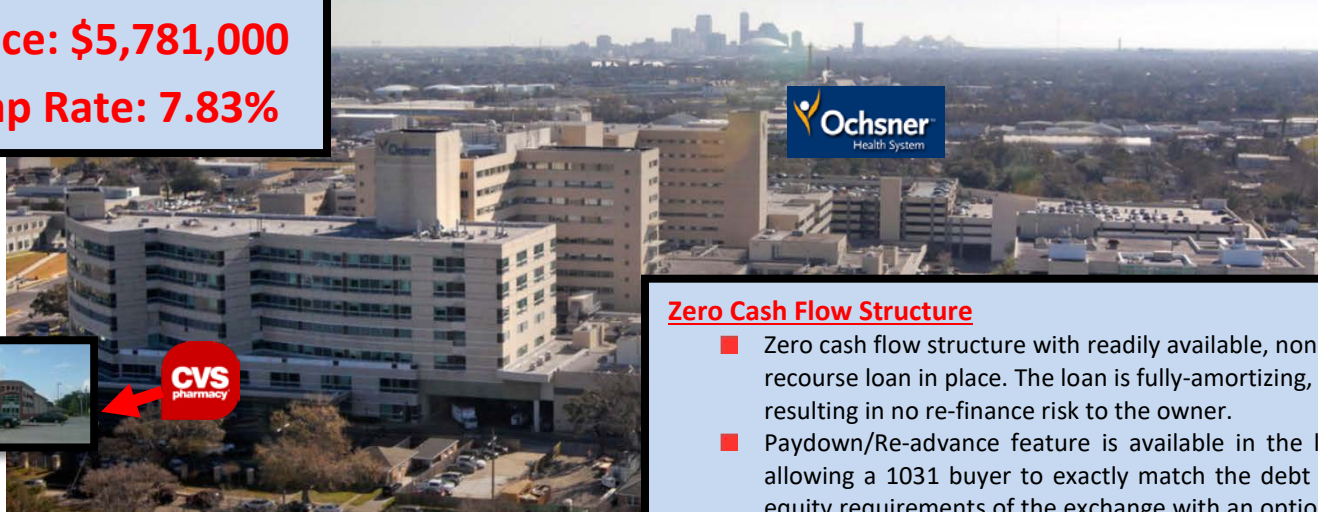
HARD CORNER SIGNALIZED INTERSECTION

MAJOR EAST-WEST CORRIDOR

- Ochsner Spending \$360 Million on Expansion
- CVS Closest National Chain Drugstore to Hospital
- Bond Type Triple Net Lease
- U.S. News & World Report "Best Hospital"
- Investment Grade Tenant (S&P: BBB+)
- Major Market Location
- 1-Mile (10 Blocks) West of the Western Edge of New Orleans City Limits
- Close to Tulane and Loyola Universities, Uptown and Carrollton Historic Districts

**Price: \$5,781,000**

**Cap Rate: 7.83%**



### Zero Cash Flow Structure

- Zero cash flow structure with readily available, non-recourse loan in place. The loan is fully-amortizing, resulting in no re-finance risk to the owner.
- Paydown/Re-advance feature is available in the loan allowing a 1031 buyer to exactly match the debt and equity requirements of the exchange with an option to refinance a portion of the equity afterward.



The location is minutes from Downtown, Uptown and Metairie; is close to Tulane, Loyola, and Xavier Universities, and Elmwood and Lakeside shopping centers. Jefferson abuts the western edge of New Orleans. Jefferson is within the New Orleans–Metairie–Kenner Metropolitan Statistical Area which had a population of 1,337,726 in 2014. New Orleans is a major United States port and the largest city and metropolitan area in the state of Louisiana. The population of the city was 378,715 as of 2014. New Orleans has one of the largest and busiest ports in the world, and metropolitan New Orleans is a center of maritime industry. The New Orleans region also accounts for a significant portion of the nation's oil refining and petrochemical production, and serves as a white-collar corporate base for onshore and offshore petroleum and natural gas

production. New Orleans is a center for higher learning, with over 50,000 students enrolled in the region's eleven two- and four-year degree granting institutions. A top-50 research university, Tulane University (2.5 miles east of the CVS), is located in New Orleans' Uptown neighborhood. Metropolitan New Orleans is a major regional hub for the healthcare industry and boasts a small, globally competitive manufacturing sector. The center city possesses a rapidly growing, entrepreneurial creative industries sector, and is renowned for its cultural tourism.

**Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)**





# New Orleans MSA

Jefferson, Louisiana

Near Tulane, Loyola & Xavier Universities

- High Traffic Location: 29,000 VPD
- 18 Year Remaining Term
- Projected Growth Area

- At Major Hospital (602-Bed)
- 130,000+ Population 3-Miles
- Regional Medical Corridor



Plans Major Expansion: [Read more...](#)

## Standard & Poors Rated: Investment Grade "BBB+" Stable Outlook

### Tenant Overview CVS Health (NYSE: CVS | S&P: BBB+):

Through the company's more than 9,700 retail pharmacies; its leading pharmacy benefit manager serving more than 80 million plan members; and its retail health clinic system, the largest in the nation with more than 1,100 MinuteClinic locations; it is a market leader in mail order, retail and specialty pharmacy, retail clinics, and Medicare Part D Prescription Drug Plans. In December 2015, CVS Health completed a \$1.9 billion agreement to take over Target's (NYSE: TGT) pharmacy and clinic businesses. The deal brought 1,672 new pharmacies into CVS Health, which expanded its retail footprint by more than 20%. They are operated through a store-within-a-store format, branded as CVS Pharmacy. For the twelve month period ended June 30, 2017, CVS Health Corporation reported total revenue of \$180.8 billion, net income of \$5.3 billion and a net worth in excess of \$34.1 billion. CVS currently holds a Standard & Poor's credit rating of BBB+/Stable.

### 250,000+ Employees

CVS Health employs over 250,000 colleagues in all 50 states, the District of Columbia, Puerto Rico and Brazil.

### 2.4 Billion Prescriptions

CVS Health fills or manages 2.4 billion prescriptions in 2016 and has captured 39% of total U.S. prescription growth since 2011.

### \$8.1 Billion Free Cash Flow

CVS generated \$8.1 billion in free cash flow in 2016

### 9,700 Pharmacies

CVS operated 9,700 retail stores in 49 states, the District of Columbia, Puerto Rico, and Brazil.

### #7 Forbes 500

3 of the top 10 are in the Health Care industry: <http://fortune.com/fortune500/cvs-health/>

### 1,100+ MinuteClinics

So far there are 1,100 MinuteClinics operating in 33 states which have been visited by over 34 million patients

Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)



# New Orleans MSA

Jefferson, Louisiana

Near Tulane, Loyola & Xavier Universities

→ High Traffic Location: 29,000 VPD

→ 18 Year Remaining Term

→ Projected Growth Area

→ At Major Hospital (602-Bed)

→ 130,000+ Population 3-Miles

→ Regional Medical Corridor



## Closest National Chain Drug Store to Ochsner Medical Center

### Demographics

2017 Estimated Population

2022 Projected Population

2017 Median Age

2017 Estimated Households

2022 Projected Households

Projected Annual Growth 2017 to 2022

2017 Estimated Average Household Income

2017 Estimated Median Household Income

2017 Estimated Total Employees

	2 mi radius	3 mi radius	5 mi radius
2017 Estimated Population	53,268	129,378	362,078
2022 Projected Population	54,992	131,873	368,954
2017 Median Age	40.9	38.6	38.7
2017 Estimated Households	23,830	56,517	159,578
2022 Projected Households	24,755	58,130	164,103
Projected Annual Growth 2017 to 2022	0.8%	0.6%	0.6%
2017 Estimated Average Household Income	\$81,548	\$81,401	\$77,752
2017 Estimated Median Household Income	\$54,599	\$55,718	\$53,731
2017 Estimated Total Employees	35,000	109,704	284,054

### Limited Competition in Trade Area

<b>Walgreens</b>	
4327 Jefferson Highway	1.5 Miles West of the CVS
2418 South Carrollton Avenue	2.4 Miles East of the CVS
<b>Rite Aid</b>	
4115 Jefferson Highway	1.3 Miles West of the CVS
1133 South Carrollton Avenue	2.4 Miles East of the CVS



**Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)**





# New Orleans MSA

Jefferson, Louisiana

Near Tulane, Loyola & Xavier Universities

→ High Traffic Location: 29,000 VPD

→ 18 Year Remaining Term

→ Projected Growth Area

→ At Major Hospital (602-Bed)

→ 130,000+ Population 3-Miles

→ Regional Medical Corridor

## **CVS Health** Lease Summary

Guarantor	CVS Caremark Corporation (Investment Grade S&P "BBB+") Officially changed its name to CVS Health.	
Location	1801 Jefferson Highway, Jefferson, Louisiana, 70121	
Building Size	13,225 Square Feet	
Plot Size	1.24 Acres (54,120 Square Feet)	
Parking Spaces	61 Spaces	
Drive Thru	Yes	
Lease Type	Bond Type Triple Net- No Landlord responsibilities whatsoever	
Rent Commencement Date	December 17, 2010	
Lease Expiration Date	January 31, 2036 (Approximately 18 Years)	
Base Term	25+ Years	
Annual Rent Primary Term	<b>\$452,749.56 Per Annum Until January 31, 2033, Approximately 15 Years From Now</b>	
Rent Holiday	<b>Starting February 1, 2033, approximately 15 years from now, the Tenant will have a three (3) year rent holiday. On January 31, 2033 the underlying mortgage will have self liquidated, will be paid in full. The rent holiday will expire January 31, 2036. During this three year period the Tenant will pay no fixed rent, but will still be responsible for all other costs and expenses related to the property.</b>	
Options To Renew	10-Five (5) Year Options to Renew	
Option Rent Schedule	Options 1 & 2 Fixed Rent	\$407,474.64
	Option 3 FMV (Fair Market Value)	Years 1 & 2= 101% of FMV Years 3-5=100% of FMV
	Options 4-10	100% of FMV
Right of First Refusal	Only in Option Periods	
IRS Section 467	The lease is structured with an IRS Section 467 rent schedule. The actual money paid each month is different than the rent that is allocated to that month. The tenant accumulates a rent credit with the Landlord over time. The balance of this loan is then fully-amortized by applying it to the monthly rent during the final years of the lease, including the rent holiday period when no money is exchanged.	

## Mortgage Summary

Original Amount	\$5,633,517.47
Remaining Balance	\$4,552,528.14 (As of 12/10/17)
Maturity Date	January 31, 2033
Original Term	22 Years
Non-Recourse	Yes, the loan is non-recourse to the borrower
Self-Liquidating	Yes, this loan is fully amortizing. There is no balloon upon maturity.
Interest Rate	5.773%
Annual Debt Service	\$452,749.56 (Exactly equal to the Annual Rent)
Paydown / Readvance	An investor in the property has the ability to utilize the paydown/readvance feature provided in the existing loan documents.
Cash Flow After Debt Service	The net income and the debt service are exactly equal. There is zero cash flow after debt service.

**Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)**



# New Orleans MSA

Jefferson, Louisiana

Near Tulane, Loyola & Xavier Universities

- High Traffic Location: 29,000 VPD
- 18 Year Remaining Term
- Projected Growth Area

- At Major Hospital (602-Bed)
- 130,000+ Population 3-Miles
- Regional Medical Corridor



**Capitalization Rate: 7.83%**

**Price: \$5,781,000**

**Est. Required Equity: \$1,229,000**

(Assumes closing as of 12/10/17)

**Est. % Leveraged: 78.74%**

(Assumes closing as of 12/10/17)

## Zero Cash Flow Structure

- Zero cash flow structure with readily available, non-recourse loan in place. The loan is fully-amortizing, resulting in no re-finance risk to the owner.
- Paydown/Re-advance feature is available in the loan allowing a 1031 buyer to exactly match the debt and equity requirements of the exchange with an option to refinance a portion of the equity afterward.



**Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)**

The brief summary of information presented herein is confidential and presented solely for the limited use of potential purchasers. It has been obtained from sources deemed reliable; however, no representation is made to the accuracy thereof. It is not all-inclusive and is subject to errors or omissions, availability, prior sale, change in price, terms, rentals, or other conditions without notice. Prospective purchasers should make independent determination as to the accuracy of information provided herein and further information will be made available upon request.





# New Orleans MSA

Jefferson, Louisiana

Near Tulane, Loyola & Xavier Universities

→ High Traffic Location: 29,000 VPD

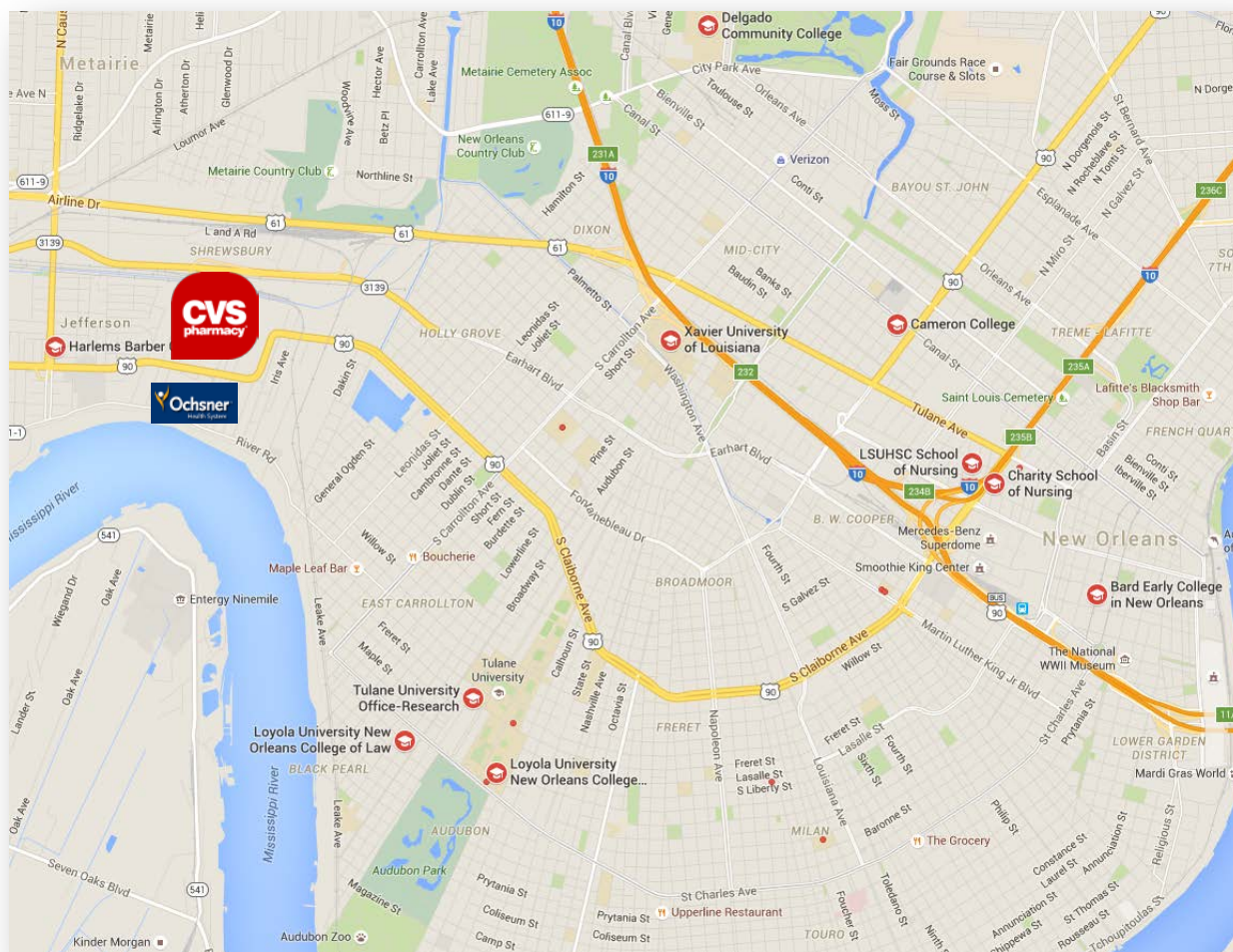
→ 18 Year Remaining Term

→ Projected Growth Area

→ At Major Hospital (602-Bed)

→ 130,000+ Population 3-Miles

→ Regional Medical Corridor



**Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)**

The brief summary of information presented herein is confidential and presented solely for the limited use of potential purchasers. It has been obtained from sources deemed reliable; however, no representation is made to the accuracy thereof. It is not all-inclusive and is subject to errors or omissions, availability, prior sale, change in price, terms, rentals, or other conditions without notice. Prospective purchasers should make independent determination as to the accuracy of information provided herein and further information will be made available upon request.



# New Orleans MSA

Jefferson, Louisiana

Near Tulane, Loyola & Xavier Universities

→ High Traffic Location: 29,000 VPD

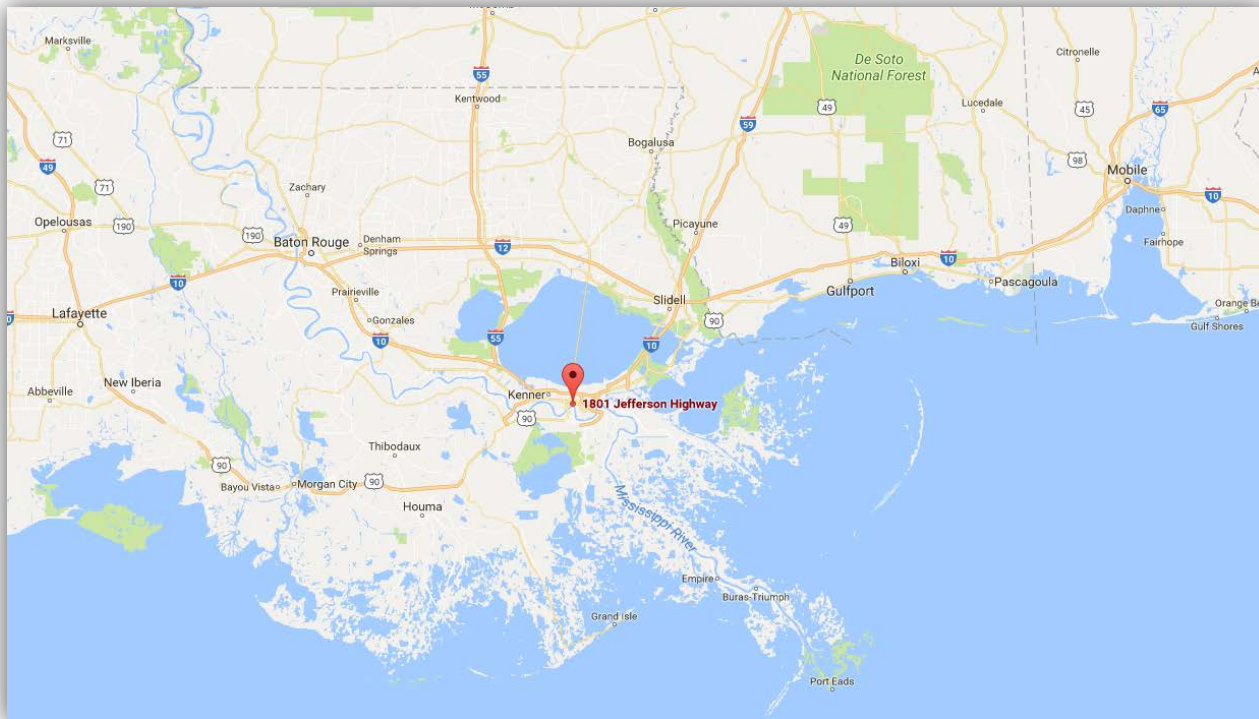
→ 18 Year Remaining Term

→ Projected Growth Area

→ At Major Hospital (602-Bed)

→ 130,000+ Population 3-Miles

→ Regional Medical Corridor



## New Orleans Metro Area

Forbes publisher Richard Karlgaard recently called the post-Katrina revitalization of New Orleans “one of the great turnarounds in American history.” Many others have taken notice of the “new” New Orleans, with rankings and awards including:

- #1 – Brain Magnet in America – New Geography
- #1 – Major Market of the Year (tie) – Southern Business & Development
- #1 – IT Job Growth – Forbes
- #1 – Educational Reform – Thomas B. Fordham Institute
- #1 – Cooldest Start-up City in America – Inc.
- #1 – State of the Year – Southern Business & Development
- #2 – Best City for a Job – Forbes
- #8 – GDP Growth – Bureau of Economic Analysis
- #8 – Index of Entrepreneurial Activity – Kauffman Index



**Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)**





# New Orleans MSA

Jefferson, Louisiana

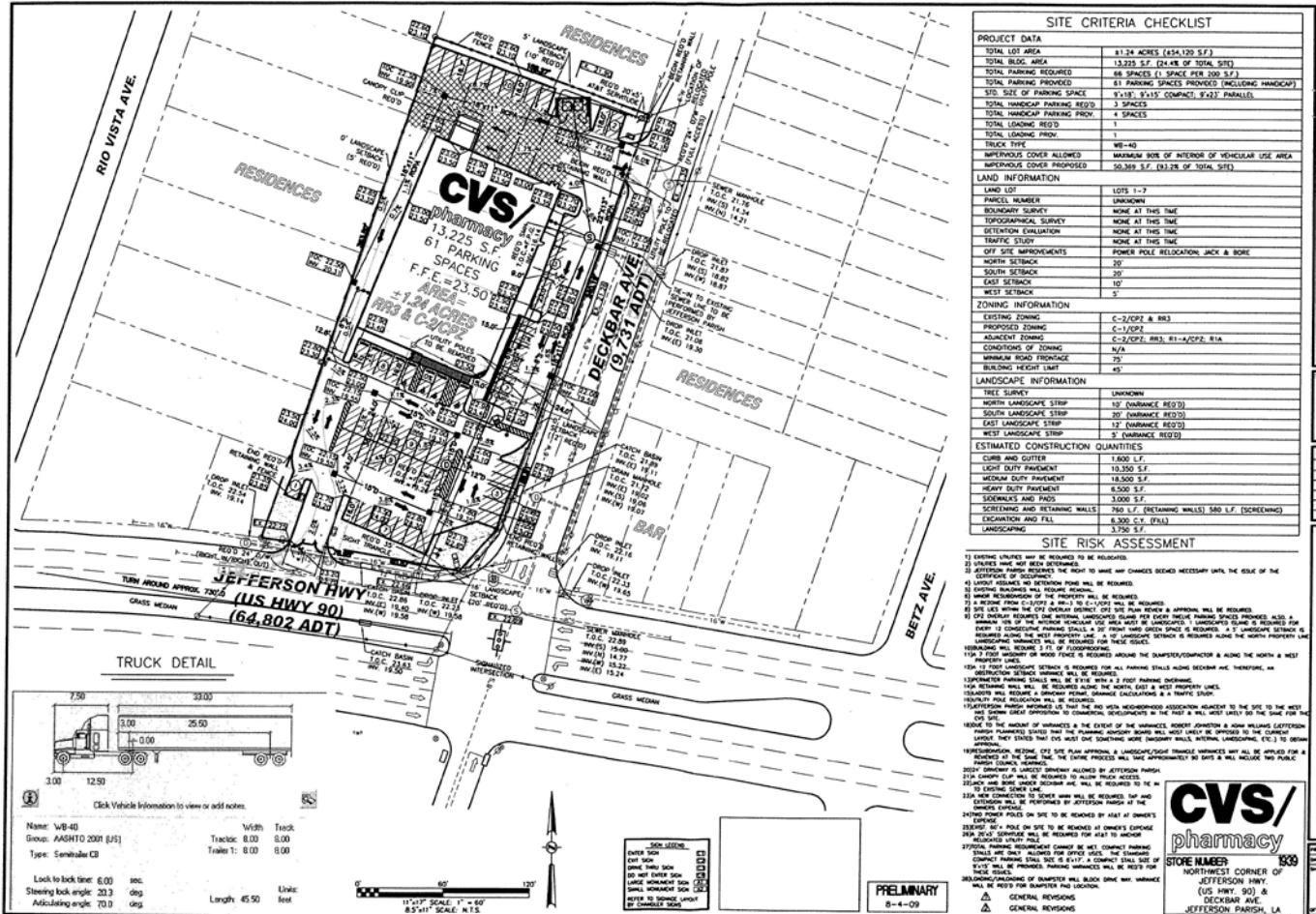
Near Tulane, Loyola & Xavier Universities

- High Traffic Location: 29,000 VPD
- 18 Year Remaining Term
- Projected Growth Area

- At Major Hospital (602-Bed)
- 130,000+ Population 3-Miles
- Regional Medical Corridor



## Site Plan



Exclusive Agent: I.C.A. Realty Corp. Phone: (631)725-4300 E-mail: [james@icarealty.com](mailto:james@icarealty.com)