

Omnicare Building

8351 ROCKVILLE RD. INDIANAPOLIS, IN 46234

OFFERING MEMORANDUM



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Executive Summary

Executive Summary

Property Overview	
ADDRESS	8351 Rockville Rd, Indianapolis, IN 46234. Marion County
SUBMARKET	Airport Submarket
RSF	39,795
YEAR BUILT/RENOVATED	1985/2004
STORIES	1
TENANCY	Single
TENANT	PRN Pharmaceutical Services, LP Guaranteed by Omnicare, LLC a subsidiary of CVS Health
LAND ACRES	3.30
NO. OF SURFACE PARKING SPACES	50
YEAR 1 NOI	\$220,834.11
LEASE TERM	60 months

Cushman & Wakefield is pleased to exclusively present for sale 8351 Rockville Rd, Indianapolis, IN 46234. 'The Omnicare Building' is a one-story flex facility encompassing 39,795 rentable square feet. Situated on a 3.3-acre lot in Marion County's Airport submarket, the property features 50 surface parking spaces and is strategically positioned to serve the expanding healthcare sector in the region. The building is fully leased to PRN Pharmaceutical Services, LP and guaranteed by Omnicare, Inc., a subsidiary of CVS Health, which specializes in pharmacy services for long-term care facilities. The tenant has been in place since August 1, 1996, reflecting a long-standing commitment to the property. The current lease is structured as a five-year, single-tenant arrangement that extends through January 31, 2030, with two additional five-year renewal options, ensuring stability and the potential for long-term occupancy. Originally constructed in 1985, the PRN Building underwent significant renovations in 2004, modernizing the facility to meet current operational standards and enhance the working environment for Omnicare's specialized pharmaceutical operations. Omnicare's capital investment into FF&E and specialized equipment in the facility is substantial. Its location benefits from easy access to major transportation routes and proximity to Indianapolis International Airport.

Key Lease Provisions

Extension Option:	Tenant shall have the right and option to extend the Lease for two (2) consecutive additional terms of five (5) years each (each a "Renewal Term") commencing immediately upon the expiration of the immediately preceding term of the Lease. The Monthly Installments of Annual Base Rental for each Renewal Term shall be the fair market rent for the Premises as the Premises exist at the time of such renewal, for each such Renewal Term.
2025 Tax and Insurance Base Year Stop:	Commencing December 1, 2024 and continuing for the balance of the Extended Term, Tenant's responsibility for payment of Real Estate Property Taxes and Property Insurance shall be limited to the difference between the calendar year 2025 real estate taxes and insurance (the "Base Year") and each subsequent year's real estate taxes and insurance. The Base Year shall thereafter be adjusted to the first full calendar year of each Renewal Term, if applicable.
Guarantor:	Reference is hereby made to that certain Guaranty of Lease executed as of June 29, 2000 (the "Guaranty") made by Omnicare, LLC, a Delaware limited liability company, formerly known as Omnicare, Inc., a Delaware corporation ("Guarantor"). The undersigned Guarantor hereby (i) acknowledges and confirms that the Guaranty is for the benefit of Landlord, (ii) acknowledges and consents to the terms contained in this Amendment, (iii) represents and warrants to Landlord that the Guaranty is in full force and effect against the undersigned in accordance with its terms, and (iv) ratifies and confirms the Guaranty with respect to the Lease, as amended hereby.
Landlord Responsibilities:	Real Estate Taxes and Insurance (on base year stop)
Tenant Responsibilities:	Utilities (electric, gas, sewer, water), trash removal, extermination, fire alarm systems
Landlord R&M:	Lessor shall keep the foundation, exterior walls, roof, structural support, gutters, and downspouts of the Demised Premises in good condition and repair and make such modifications or replacements thereof as may be necessary or required by law or ordinance. Lessor shall keep the parking surface in good physical condition and repair. Any maintenance, repairs, or replacements to such foundation, exterior walls, roof, structural support, gutters, and downspouts of the Demised Premises made necessary by any acts and negligence of Lessee shall be immediately repaired and paid for by Lessee. Lessor shall maintain the exterior lawn, landscaping, and shall be responsible for snow shoveling from the parking lot.
Tenant R&M:	All maintenance, repairs, or replacements to the Demised Premises, other than those for which Lessor is responsible under the above Section, shall be the obligation of Lessee and shall be made by Lessee at its sole cost and expense. The Demised Premises shall be kept in a clean and safe condition and good repair and order at all times by Lessee. Lessee's obligation to maintain, repair, and replace includes, but is not limited to: all of the interior of the Demised Premises, janitorial services, fixtures, interior walls, flooring, ceilings, electrical, plumbing, windows and doors, pest control, security and fire systems, heating and air conditioning; and snow/ice removal from the sidewalks.

Capital Improvements

Recent Improvements (2019-Present):

- Paint Building Exterior: \$17,692
- Redo Entry Way Sidewalk: \$4,100
- Horizontal drilled power line under parking lot to parking light pole: \$4,674
- Concrete replacement of wooden stairs on south side of building: \$28,667
- Roof improvements: \$10,975
- Repave the parking lot: \$34,300.
- Replacement of an exit door: \$6466

Roof Information:

- Age of present shingled roof: 8-9 years. Cost: \$74,966.
- Replaced in sections between Oct 2015 and May 2016.
- New shingles include a full water shield underlay.

Early Improvements (2009-2013) Approx. \$100k:

- Two cage ladders mounted inside building including two metal locking hatch doors.
 - Six attic exhaust fans with louvers, bug screens and thermostats for total of 26,000 CFM.
 - Custom soffit vents.
 - Reframe all exterior doors with metal replacing rotted wood frames.
 - Awnings were added over doors and one loading dock.
 - Concrete delivery truck bumpers to protect concrete block foundations.
 - Four custom scuppers to drain hip roof valleys.
 - Irrigation system for grass and flower bed at front entrance.
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Market Overview

Market Overview

ECONOMY: U.S. JOB GROWTH AVERAGES 186,000 IN Q3

U.S. job growth averaged 186,000 in Q3, with September adding 254,000 jobs. Unemployment rose to 4.1%, up 40 bps YOY but flat quarterly. Indianapolis MSA unemployment increased to 3.6% but remained below the national rate. Indianapolis employment grew 2.5% YOY and is expected to continue rising.

DEMAND: FOUR SUBMARKETS RECORD OCCUPANCY GAINS

Four submarkets posted occupancy gains during the quarter, with net absorption highest in the Northwest (592,000 sf) and Northeast (165,000 sf) submarkets. Direct net absorption, which does not include occupancy changes from sublease space, was positive in the third quarter, at 531,000 sf. Year-to-date (YTD) overall net absorption totaled 299,000 sf through the first three quarters. Over 3.6 msf of new deals were signed in third quarter, with leasing activity especially robust in the West (1.1 msf). YTD new leasing activity topped 11.0 msf, already surpassing 2023's new leasing total with one quarter remaining. Nearly 65.0% of all new leasing YTD was in three key submarkets— Southwest, West, and South— with each recording over 2.0 msf of activity.

SUPPLY: LIGHTEST QUARTER OF DELIVERIES SINCE 2019

Construction completions totaled 957,000 sf in the third quarter, the lightest quarter of deliveries since the first quarter of 2019. The West submarket led in construction completions, with 581,000 sf coming online, followed by the Northeast submarket with 296,000 sf of deliveries. The under-construction pipeline also continued to shrink, declining 8.5% QOQ and 56.2% YOY, to 4.2 msf.

MARKET FUNDAMENTALS		
	YOY Chg	12-Month Forecast
11.1% Vacancy Rate	▲	▼
299K YTD Net Absorption, SF	▼	▲
\$5.96 Asking Rent, PSF <i>(Overall, Net Asking Rent)</i>	▼	▲
ECONOMIC INDICATORS		
	YOY Chg	12-Month Forecast
1.2M Indianapolis Employment	▲	▲
3.6% Indianapolis Unemployment Rate	▲	▲
4.1% U.S. Unemployment Rate	▲	▼
<i>Source: BLS</i>		

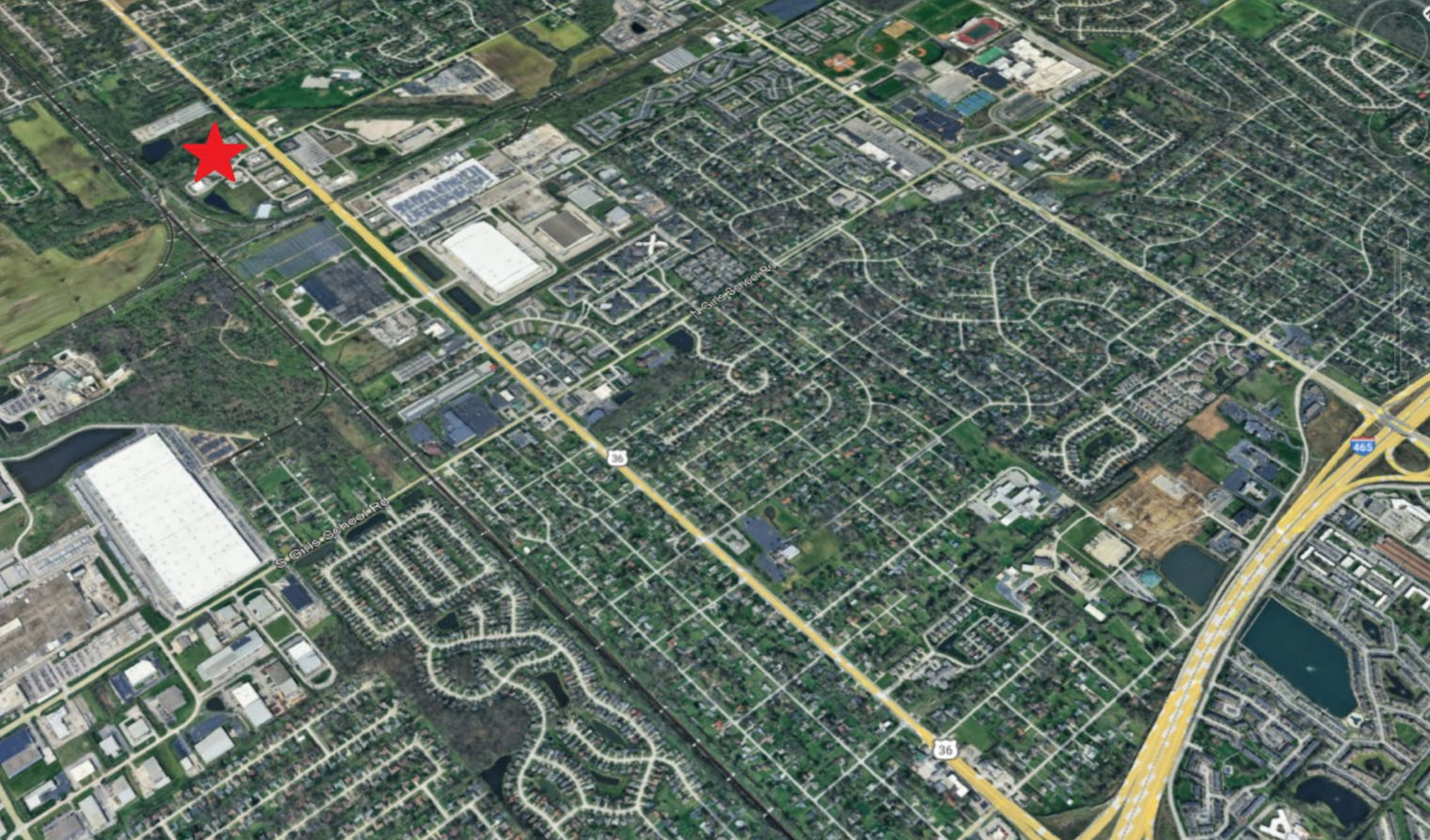
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Financial **Analysis**

Financial Overview

ANNUAL CASH FLOW

FOR YEARS ENDING	YEAR 1 \$/SF	YEAR 1 02-2026	YEAR 2 02-2027	YEAR 3 02-2028	YEAR 4 02-2029	YEAR 5 02-2020
POTENTIAL GROSS REVENUE						
Base Rental Revenue	\$8.30	\$ 330,298.50	\$ 340,247.25	\$ 350,196.00	\$ 360,542.70	\$ 371,287.35
OPERATING EXPENSES						
Real Estate Taxes	\$1.84	(\$73,207.73)	(\$73,207.73)	(\$73,207.73)	(\$73,207.73)	(\$73,207.73)
Property Management Fees	\$0.15	(\$5,900.00)	(\$5,900.00)	(\$5,900.00)	(\$5,900.00)	(\$5,900.00)
Snow Removal	\$0.23	(\$9,300.00)	(\$9,300.00)	(\$9,300.00)	(\$9,300.00)	(\$9,300.00)
Insurance	\$0.38	(\$15,213.86)	(\$15,213.86)	(\$15,213.86)	(\$15,213.86)	(\$15,213.86)
Association Dues	\$0.05	(\$2,012.00)	(\$2,012.00)	(\$2,012.00)	(\$2,012.00)	(\$2,012.00)
Landscaping	\$0.10	(\$3,830.80)	(\$3,830.80)	(\$3,830.80)	(\$3,830.80)	(\$3,830.80)
Total Operating Expenses	\$2.75	(\$109,464.39)	(\$109,464.39)	(\$109,464.39)	(\$109,464.39)	(\$109,464.39)
Net Operating Income	\$5.55	\$ 220,834.11	\$ 230,782.86	\$ 240,731.61	\$ 251,078.31	\$ 261,822.96



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