

1962 West 1800 North | Clinton, Utah

Offering Memorandum

Walgreens
DRUG STORES



SINGLE TENANT | ABSOLUTE NNN

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Property Overview

> THE OFFERING

Colliers International is pleased to exclusively market for sale an absolute net leased (NNN) Walgreens Property located in Clinton, Utah. This Walgreens is well positioned on a hard corner of a signalized intersection. Walgreens has successfully operated at this location since 2004 with 14 years remaining on the initial 25 year term with ten (10) five (5) year renewal options with expiration in 2029.

The Corporate Guarantee of Walgreens provides long-term stability for the investor. The Investment Grade Credit (S&P BBB) of the tenant is an important feature for potential buyers who are seeking a conservative quality investment. In addition, given the structure of the Absolute NNN lease, the tenant is responsible for taxes, insurance, CAM and roof structure. There are zero landlord responsibilities and is an ideal property for 1031/1033 buyers.

Property Address:	1962 West 1800 North Clinton, UT 84015
Year Built:	2004
Rentable SF:	14,820 SF
Site Area:	1.71 Acres
Price:	\$5,200,000
Cap Rate:	6.1%
Tenant:	Walgreens Drug Stores
Lease Type:	Absolute Triple Net (NNN) Lease
Lease Commencement Date:	February 2004
Lease Expiration Date:	May 2029
Annual Base Rent:	\$322,000



Pricing & Financial Analysis

> FINANCIAL SUMMARY

Price:	\$5,200,000
Rentable SF:	14,820
Price/ SF	\$364.37
Cap Rate:	6.1%
Net Cash Flow:	\$322,000
Year Built	2004
Lot Size:	1.71 Acres

> LEASE SUMMARY

Lease Type:	Absolute Triple Net (NNN) Lease
Roof and Structure:	Tenant Responsible
Lease Commencement Date:	February 2004
Lease Expiration Date	May 2029

> ANNUALIZED OPERATING DATA

Base Rent (21.72 SF):	\$26,833.33
Net Operating Income:	\$322,000

- Absolute Triple-Net (NNN) Lease
- Tenant Responsible for All Expenses
- Tenant Right to Terminate: Tenant's option every five years after initial 25 year term, with 180 days of written notice
- Right of First Refusal to Purchase: Tenant's Option within 21 Business Days of Notice



Property Description

> THE PROPERTY

The subject property is located at the northeast corner of 1962 West and 1800 North in Clinton, Utah. The facility is a beautiful 14,820 square foot, single-tenant building on approximately 1.71 acres of land with an excellent corner location. Professionally landscaped with well-lit monument signage, this is a pride of ownership real estate investment that will provide a secure projected income for many years into the future.

Situated in a new growth area of Clinton, Utah, the building is situated prominently on a major corner in front of a recently finished Lowe's and McDonald's. Across the street is a new retail development anchored by several national tenants. This area has an increasing traffic count and growing population in the active corridor between Salt Lake City and Ogden, Utah.

The Walgreens store in Clinton, Utah is a great opportunity for an investor to acquire a well located NNN leased investment with attractive in-place financing in a growing MSA.

> INVESTMENT HIGHLIGHTS

- Absolute Triple-Net (NNN) Corporate Lease
- "BBB" Rating by Standard and Poor's (Investment Grade)
- Surrounded by National Retailers Including Lowe's and McDonald's
- Excellent Corner Location and High Visibility Frontage
- Increasing Traffic Count and Growing Population

> DEMOGRAPHICS

	1 MILE	3 MILE	5 MILE
Population			
2018 Estimated	12,109	85,365	177,065
2023 Projected	12,931	91,572	191,217
Households			
2018 Estimated	3,439	25,643	53,700
2023 Projected	3,666	27,374	57,766
Income			
2018 Median HHI	\$82,033	\$71,821	\$71,637
2018 Average HHI	\$88,878	\$80,733	\$82,117

Information provided by ESRI Business Analyst



Tenant Profile

> WALGREENS

Walgreens is an American company that operates as the second-largest pharmacy store chain in the United States behind CVS Health. It specializes in filling prescriptions, health and wellness products, health information, and photo services. As of August 31, 2016, the company operated 8,175 stores in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. It was founded in Chicago, Illinois, in 1901. The Walgreens headquarters office is in the Chicago suburb of Deerfield, Illinois.

Founded in 1901 as a single drugstore, Walgreens today is a provider of trusted care in communities around the U.S. Through constant innovation, Walgreens has a history of breaking new ground to meet its customers' needs and improve their health, from offering self-service stores beginning in the 1950s to developing a

5-star rated mobile app today. In its pharmacies, Walgreens was the first major drugstore chain to put prescriptions into child-resistant containers in the 1960s (long before it was required by law) and in 2016 was the first to offer safe medication disposal kiosks in its stores.

Walgreens are freestanding corner stores, with the entrance on the street with the most traffic flow, figuratively making it a "corner drugstore" similar to how many independent pharmacies evolved. Many stores have a drive-through pharmacy.

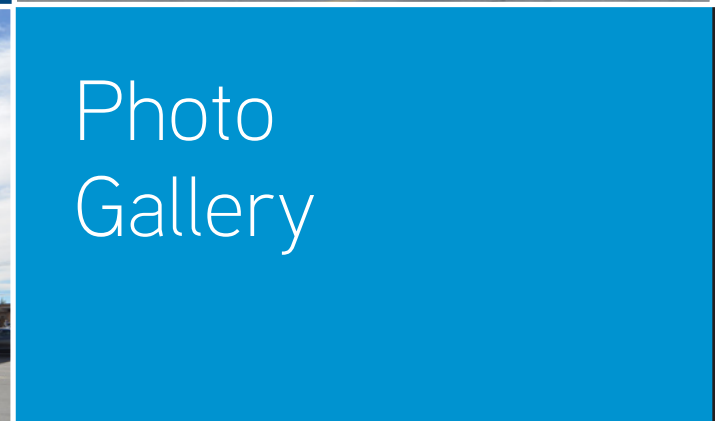
As today's health care and retail markets continue to evolve, customers are redefining value and convenience as they change the way they shop and adopt new technologies. Anticipating these changes, Walgreens is accelerating its transformation as a customer-led



company and creating a new health care and retail experience. The first step was relaunching Walgreens brand in December 2017. "Trusted since 1901" focuses on three characteristics deeply rooted in Walgreens history: trust, care and accessibility.

With its brand as a foundation, Walgreens is building its business in four areas: pharmacy, front end, health care services and consumer services. These areas are being enabled through partnerships, new store layouts and product assortments, new approaches to pricing and promotion to unlock value and by helping team members better serve customers by eliminating unproductive work and putting more decisions in their hands.





Area Overview

> CLINTON, UTAH

Clinton is located just North of Salt Lake City and Southwest of Ogden; nestled between the Wasatch Mountains and the Great Salt Lake. One of every four residents was born outside of Utah; almost four of every five households have children under the age of 18 living at home.

Clinton has a population of 21,210 people with a median age of 30.2 and a median household income of \$74,043. The median property value in Clinton, UT is \$192,200, and the homeownership rate is 84.9%. The average commute time is 23.6 minutes.

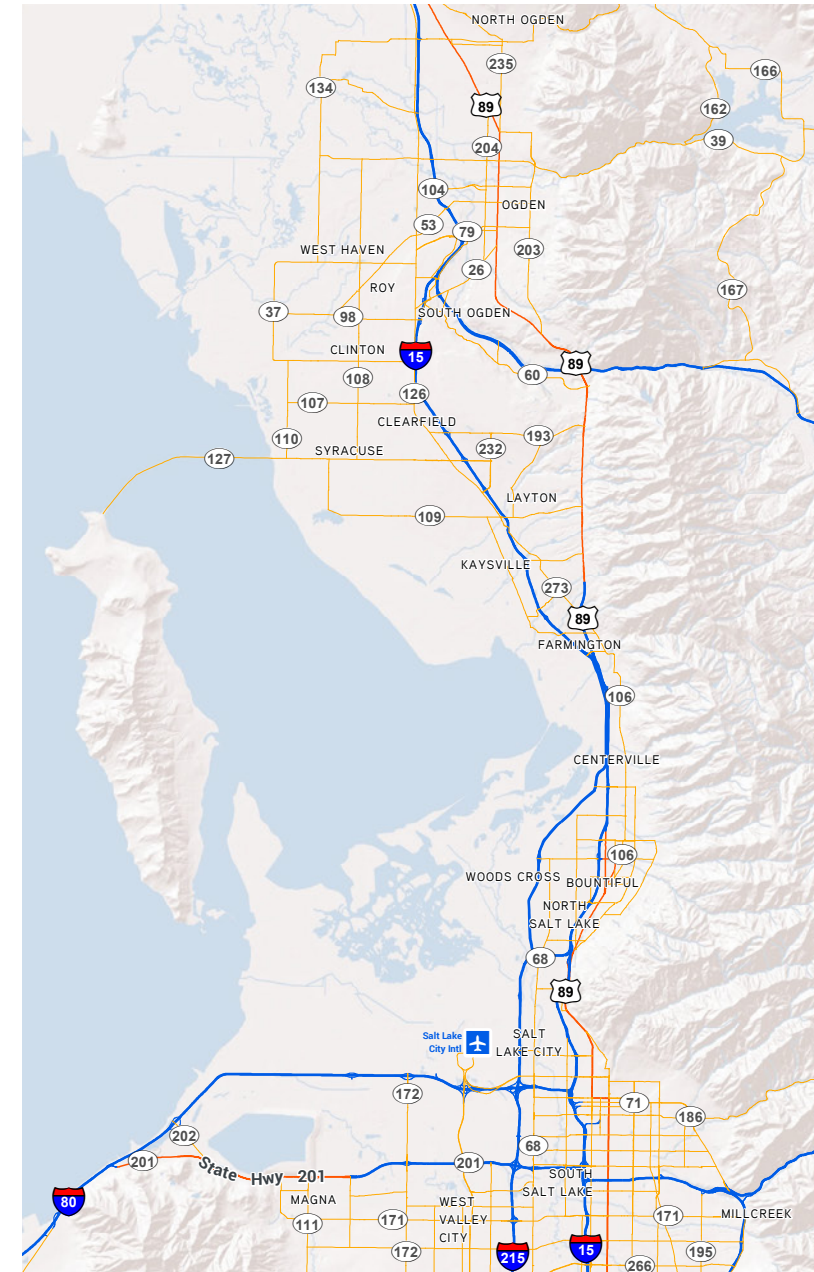
The economy of Clinton employs 10,225 people and is specialized in Public Administration.; Manufacturing; and Wholesale trade. The largest industries are Public Administration (1,703), Manufacturing (1,276), and Healthcare and Social Assistance (1,229).

> WEBER & DAVIS COUNTIES

The Ogden-Clearfield Metro Area encompasses the counties of Davis, Weber, and Box Elder in Northern Utah. It has a population of 644,030 people and a median Household income of \$65,538. The median age is 31.3. The median property value is \$216,200, and the homeownership rate is 74.1%. The economy of employs 298,430 people. The largest industries are Manufacturing (43,433), Retail trade (34,561), and Healthcare and Social Assistance (29,876). Weber State University is the largest university in the area with 26,681 students enrolled. In 2015 it had 5,086 graduates, with the most common concentration for Bachelor's Degree recipients being Registered Nursing.

> UTAH TOP RANKS

- Utah is a national leader in job growth, unemployment, low cost of doing business, and talented labor. Utah regularly tops rankings for best states for business, careers, living, health, and quality of life.
- Utah Named #10 Among Best Places to Live - U.S. News and World Report
- Utah Ranked #3 Best Economy - WalletHub
- Salt Lake Among Top 15 Cities Where Millennials are Moving - Time Magazine
- Salt Lake City (and the Wasatch Front) Ranked #1 Among Cities Poised to Become Tomorrow's Tech Meccas - Forbes
- Two Utah Cities (Provo-Orem and Logan) Voted among the Best in America for "Successful Aging" - Milken Institute
- America's 25 Best Cities For Young Professionals in 2017 - Forbes
- Salt Lake City Named #1 City Where Young People Want to Be - realtor.com
- Utah the Best Place in the Country to Find a Job - U.S. News
- Utah Tops the List of Happiest States in America 2016 - WalletHub



Area Overview

> HILL AIR FORCE BASE

Hill Air Force Base is the Air Force's second largest base by population and geographical size, and is home to many operational and support missions. The base is also the largest single-site employer in the state of Utah, with an economic impact of more than \$3 billion annually. Overall Hill Air Force Base is the State of Utah's 6th largest employer by number of employees.

> WEBER STATE UNIVERSITY

Weber State University offers more than 225 certificate and degree programs and 14 graduate degrees. Weber State University has a total enrollment of 26,809 students and a faculty of over 1,000.

In 2016, 5,105 people graduated from undergraduate and graduate programs at Weber State University. 57.1% of these graduates were women, and 42.9% were men. The most popular Bachelor's Degree majors at Weber State University were Registered Nursing with 362 graduates, Selling Skills & Sales Operations with 148 graduates, and Criminal Justice - Safety Studies with 98 graduates.

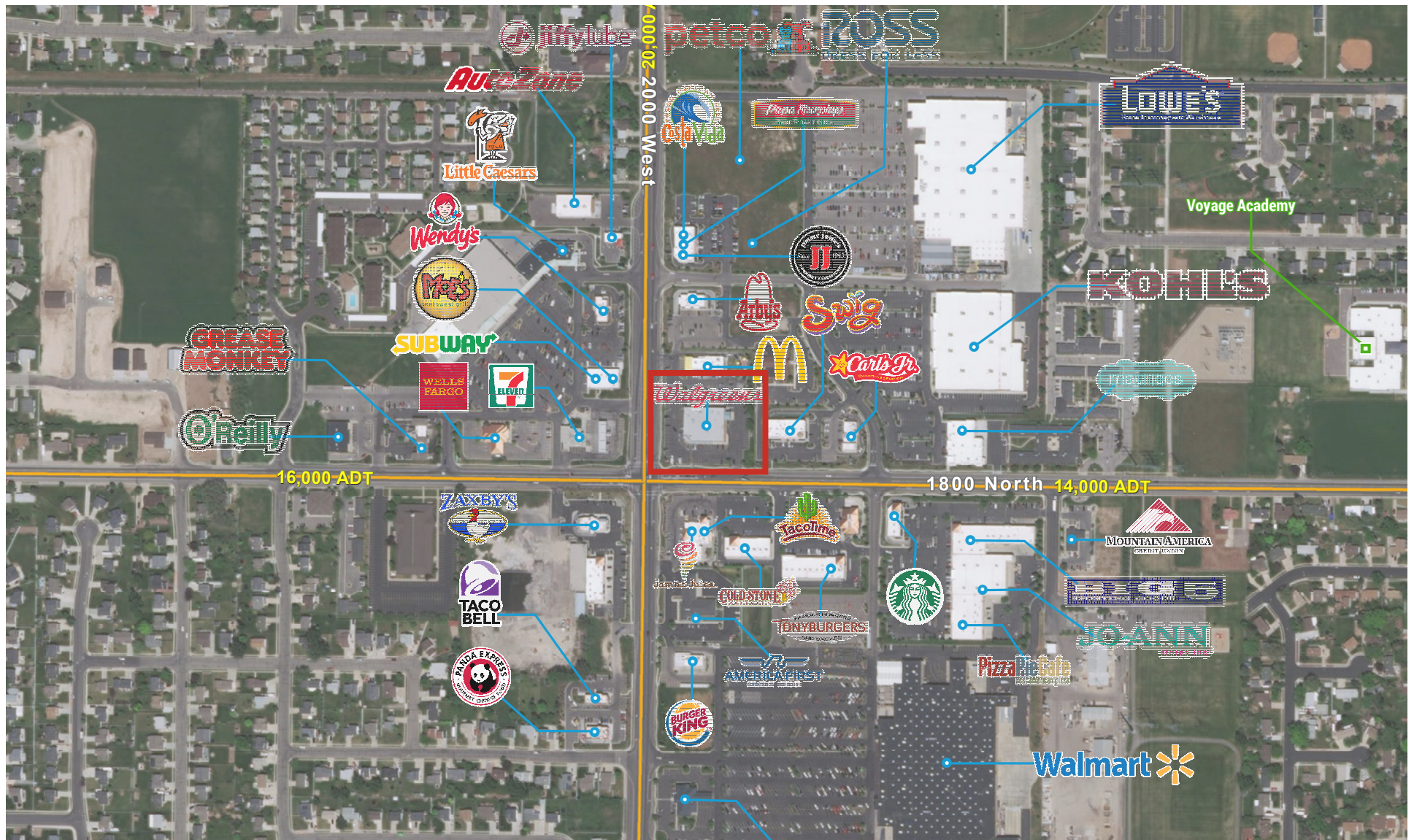
> FREEPORT CENTER

Freeport Warehousing and Distribution Center in Clearfield, Utah is a manufacturing, warehousing and distribution center. Home to more than 70 companies that have a workforce of over 7,000 employees.

Freeport Center has more than 7,000,000 square feet in 78 buildings ranging in size from 4,000 to 400,000 square feet on 680 acres. Freeport's buildings have railroad loading docks on one side and truck loading facilities on the other. Some buildings have 10 or 25-ton overhead cranes, which are ideal for fabrication or storage of heavy products.



Site Location



Aerial



Aerial



Aerial



Regional Retail Map





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