

Walgreens

OUTPARCEL TO FLAMINGO CENTER

TROPHY NNN LEGACY ASSET

3883 W. Flamingo Rd., Las Vegas, NV 89103



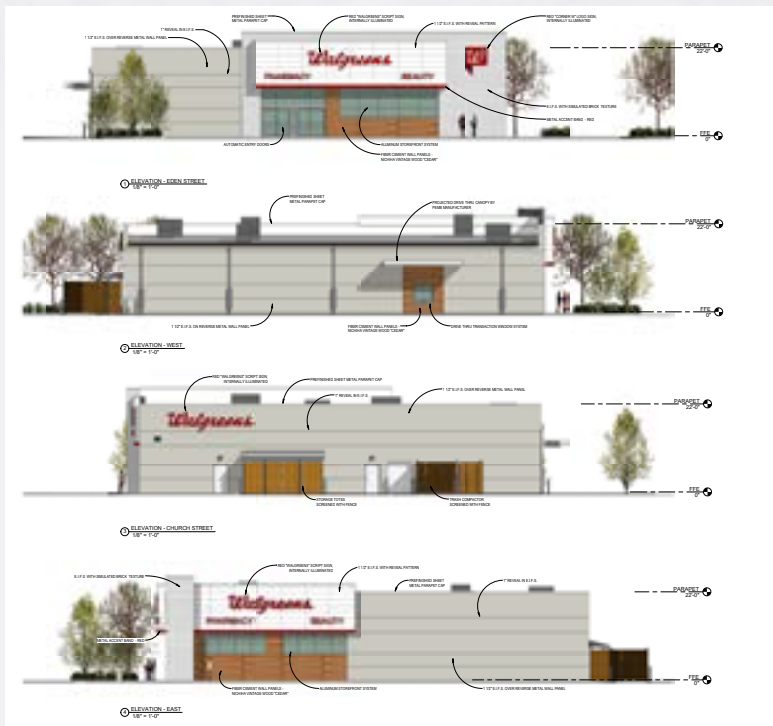
Colliers
INTERNATIONAL



Property Overview

We are pleased to offer to qualified investors an opportunity to purchase (fee simple) an absolute NNN single tenant investment that is fully leased to Walgreen Co. (NYSE: WBA) on a brand new 15 year lease. This lease provides investors long term secure cash flow from an investment grade credit tenant (rated “BBB” by S&P) which offers attractive 10% rental increases every 10 years.

The offering is part of a brand new mixed-use development that includes retail (Chick-fil-A, Del Taco, Walgreens, Denny’s, Wahoo’s), multi-family (360+ luxury apartments/condos), and hospitality (Marriott - Delta Flag). Located on Resort Corridor with frontage to the Palms Casino which recently received \$485 million in upgrades; this offering provides investors a truly rare opportunity to acquire a brand new 2018 construction, generational (trophy) asset, located on irreplaceable real estate in the heart of Las Vegas, NV.



Pricing Details	
List Price	\$10,000,000
NOI	\$450,000
CAP	4.50%
Taxes	NNN
Insurance	NNN
CAM	NNN
Lease Abstract	
Tenant Trade Name	Walgreens
Lease Start	January 1, 2019
Lease Expiration	December 31, 2033
Lease Term	14
Term Remaining On Lease	14
Base Rent	\$450,000
Rental Adjustments	10% Rental Increases Every 10 Years 1/1/2029 \$495,000
Option Periods	12 - 5 Yr Options 10% Increases Every 10 Years
Lease Type	NNN Lease
Roof & Structure	Tenant Responsible



INVESTMENT HIGHLIGHTS

Brand New Absolute NNN 15 Year Lease - Walgreen Co. (NYSE: WBA)

- Investment Grade Credit Tenant - Rated “BBB” by S&P
- Irreplaceable High Profile Site - Flamingo Center New Mixed-Use Development
- Rare 10% Increases Every 10 Yrs - Including Options (12-5 Yr Options) - Legacy Coupon Clipper
- 2nd Largest Pharmacy in the U.S. - 8,100+ Locations - \$65B+ Market Cap
- #1 Ranked Tourist Destination/Most Popular in the World (47M+)
- Trophy Property - Pride of Ownership w/ Drive Thru - Generational Asset
- Fortune 500 List #19 for 2018 “America’s Largest Companies

Hard Corner Outparcel - Monument Signage

- Frontage to the Palms Hotel/New Tao Development - Huge Nighttime Traffic
- Adjacent to the Rio All-Suites Hotel & Casino - Just off Interstate 15
- Outparcel to Brand New Marriott Hotel (Delta Flag) & Elysian Living (360+ Luxury Apartment/Condo)
- Located Just off the Las Vegas Strip - Irreplaceable Real Estate
- Diversified Economic Base - Finance, Retail, Services and Healthcare
- Strong Demographics - AHHI Exceeds \$59,150 within 3 Mile Radius
- Dense Infill - Approximately 188,452 Residents Within a 3-Mile Radius



What's to Come at the Palms

Palms is redesigning its 260 rooms, 77 suites and six Sky Villas. There are bookings available throughout summer, but the entire project should be completed by fall.



In partnership with Tao Group, the Palms is working on a 29,000-square-foot nightclub as well as a 73,000-square-foot dayclub. The dayclub will feature a climate-controlled enclosure over the pool, allowing the party to run year-round. These venues are scheduled to open in spring 2019.

Tao is also bringing Vandal, its famed New York City restaurant, to the Palms for its West Coast debut. Other restaurants to keep an eye on include offerings from celebrity chefs Bobby Flay, Michael Symon and Marc Vetri.





Walgreens
BBB by
S&P
Investment Grade
Credit



Rated
BBB
by **S&P**
Investment Grade Credit

 **8,100**
Walgreens Pharmacies

Tenant Overview

Walgreen Co. is the second-largest pharmacy store chain in the U.S., operating some 8,100 mostly freestanding Walgreens stores in all 50 US states, the District of Columbia, the Virgin Islands, and Puerto Rico. But it's the brand face of Walgreens Boots Alliance, a company with a worldwide reach. For the US subsidiary, prescription drugs account for about 70% of sales; the rest comes from general merchandise, over-the-counter medications, cosmetics, and groceries.

Most Walgreens stores offer drive-through pharmacies and one-hour photo processing.

Walgreen acquired the Swiss-based Alliance Boots to form Walgreens Boots Alliancein 2014.



Denny's Corporation

Type	Public
Traded as	NASDAQ: WBA
Founded	1901; 117 Years Ago Chicago, Illinois, U.S.
Founders	Charles Rudolph Walgreen
Headquarters	200 Wilmot Road Deerfield, Illinois, U.S.
Number of locations	8,175
Product	Drug Store Pharmacy
Parent	Walgreens Boots Alliance (2014–Present)
Website	walgreens.com

Walgreens Boots Alliance

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The company's heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years. Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25 countries and employ more than 385,000 people.

The company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has more than 13,200 stores in 11 countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390 distribution centers delivering to more than 230,000 pharmacies, doctors, health centers and hospitals each year in more than 20 countries.

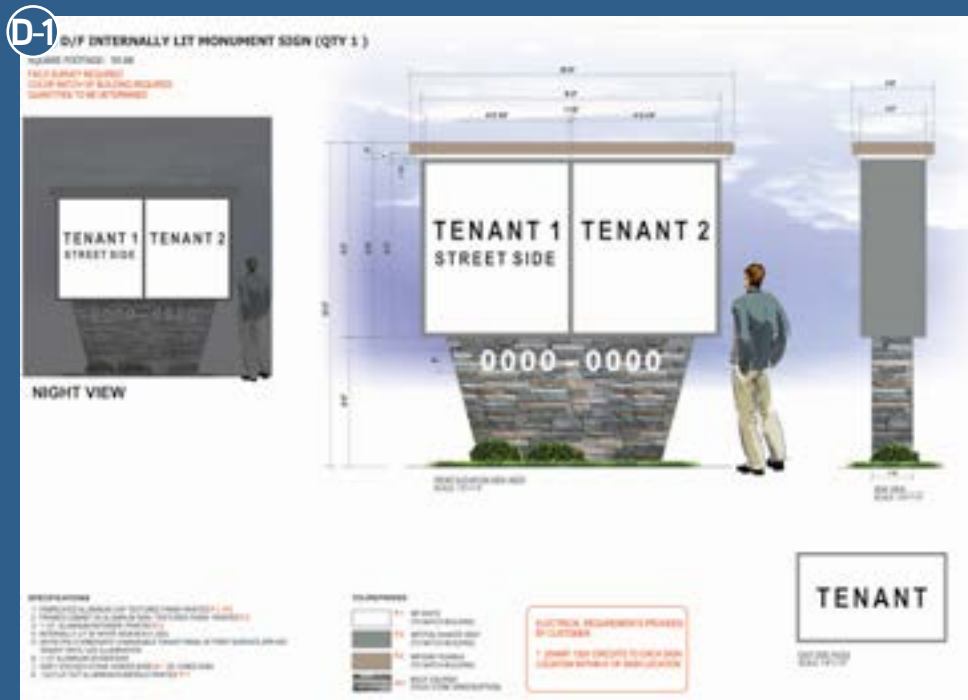


 **2nd
Largest**
Pharmacy Store Chain
in United States

 Ranked
17th
in Fortune Global 500



PG. 11





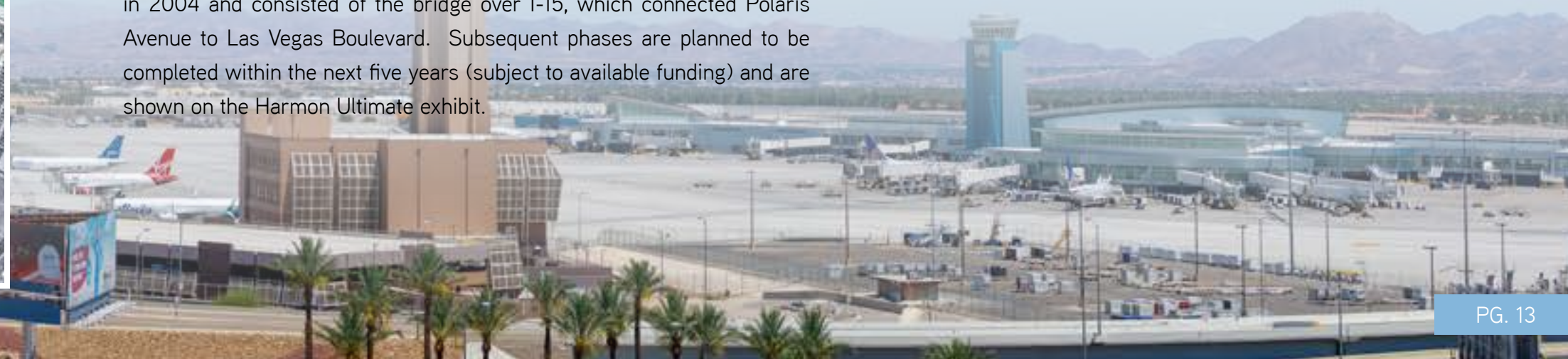
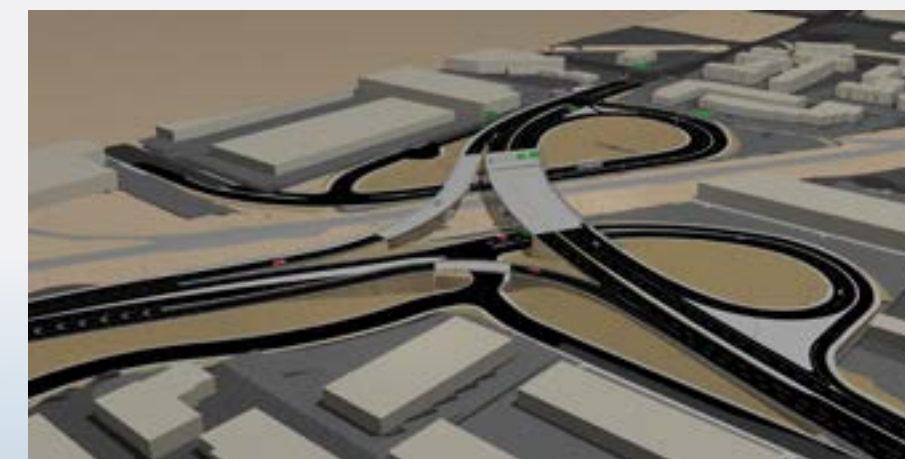
Overpass Transportation Improvements

Clark County Public Works is proposing transportation improvements within the resort corridor consisting of connecting Harmon Avenue and Valley View Boulevard with a grade separation over the Union Pacific Railroad (UPRR) tracks.

The purpose of this project is to improve access to and through the resort corridor. The resort corridor is the primary destination for many vehicle trips in the Las Vegas Valley. Access to the resort corridor to and from the west is limited by Interstate 15 and the UPRR tracks.

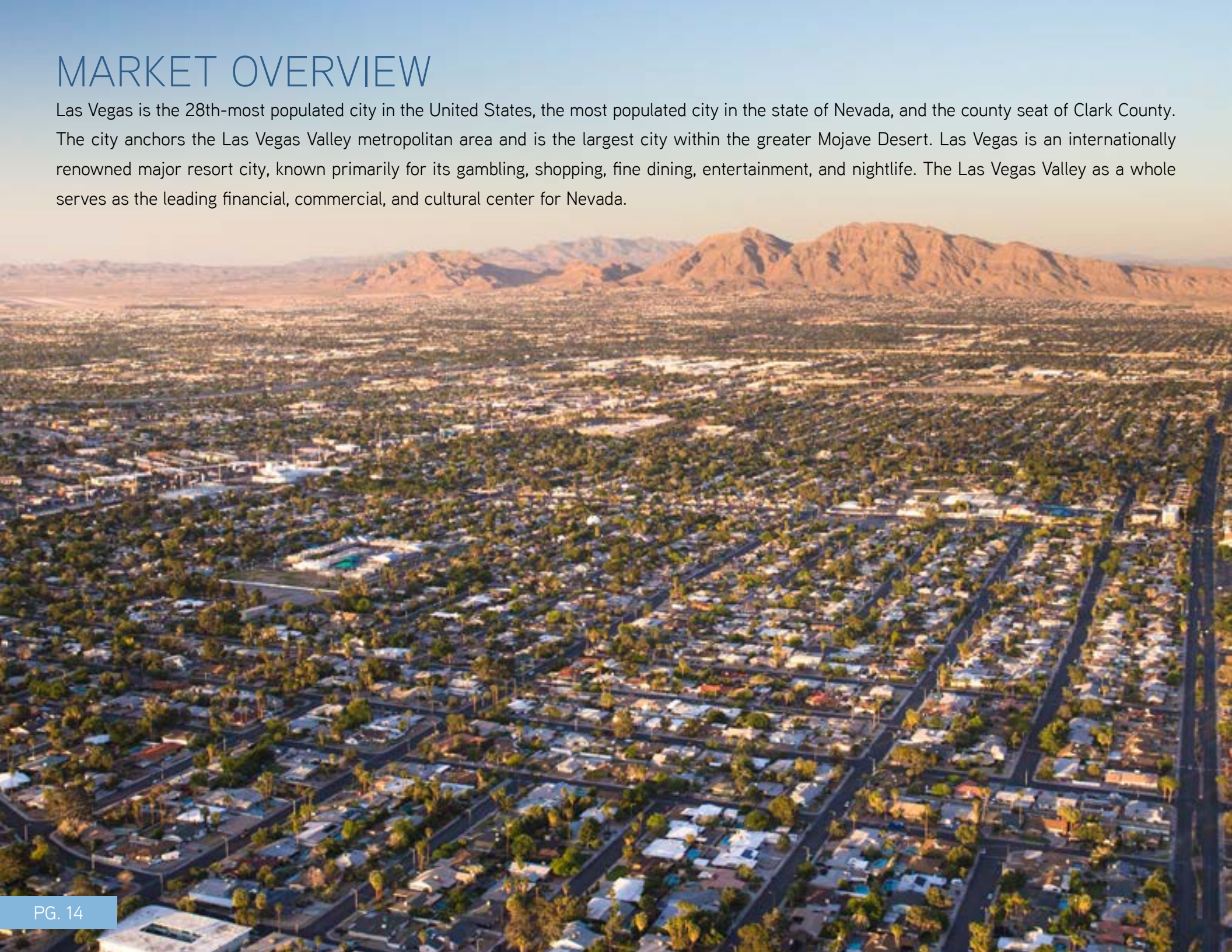
This project provides the final link in the continuation of two important transportation corridors, Harmon Avenue and Valley View Boulevard. Harmon Avenue is an east/west arterial roadway from Jones Boulevard to Swenson Street, serving traffic demands from UNLV, major strip resort properties, Citizens Area Transit facilities, as well as important local industrial and service businesses.

The proposed grade separation is part of a multi-phase project that, when completed, will provide a continuous east-west connection from the Spring Valley area to the Strip. The first phase of the project was completed in 2004 and consisted of the bridge over I-15, which connected Polaris Avenue to Las Vegas Boulevard. Subsequent phases are planned to be completed within the next five years (subject to available funding) and are shown on the Harmon Ultimate exhibit.



MARKET OVERVIEW

Las Vegas is the 28th-most populated city in the United States, the most populated city in the state of Nevada, and the county seat of Clark County. The city anchors the Las Vegas Valley metropolitan area and is the largest city within the greater Mojave Desert. Las Vegas is an internationally renowned major resort city, known primarily for its gambling, shopping, fine dining, entertainment, and nightlife. The Las Vegas Valley as a whole serves as the leading financial, commercial, and cultural center for Nevada.



Tourism in Las Vegas

An improving economy in 2017 and overall greater confidence in one’s personal finances are reflected in various Las Vegas spending measures. Visitors in 2017 reported spending more on food and drink than in the past five years, and spending more on lodging, local transportation, and sightseeing since 2015. Similar to 2016, these visitors were more likely to pay a regular room rate or a package rate, and less likely to pay a casino or casino complimentary rate.

Gaming behavior continued to reflect the enhanced definition of Las Vegas as the “entertainment capital” of the world. Specifically, the proportion of Las Vegas visitors who gambled increased from last year to about three-quarters, while the amount of time they spent gambling was the lowest observed over the past five years, at just over one and a half hours.

Trip Characteristics And Expenditures

- Forty-six percent (46%) of Las Vegas visitors arrived by air, with 54% arriving via ground transportation, the same as last year
- The average adult party size in 2017 was 2.3 persons, up from 2.2 in 2015
- Over the course of their entire stay in Las Vegas, 2017 visitors spent much more than in each of the past five years on food and drink. Indeed, the amount spent on food and drink (mean of \$376.97) was over \$50 higher than last year’s average



42 Million Visitor Volume
2017 YTD



6.5 Million Convention Attendance
2017 YTD



\$9.9 Billion Gaming Revenue
2017 YTD
About Nine in Ten (89%) Visitors who
Gambled said they Gambled on the Strip Corridor



Transportation

Interstates 15, 515, and US 95 lead out of the city in four directions. Two major freeways – Interstate 15 and Interstate 515/U.S. Route 95 – cross in downtown Las Vegas. I-15 connects Las Vegas to Los Angeles, and heads northeast to and beyond Salt Lake City.

McCarran International Airport

McCarran International Airport is the primary commercial airport serving the Las Vegas Valley, a major metropolitan area in Nevada. It is in Paradise, about 5 miles south of Downtown Las Vegas. The airport is owned by Clark County and operated by the Clark County Department of Aviation. The airport has nonstop air service to destinations in North America, Europe, and Asia.



McCarran Received Over 48,505,756
Passengers in 2017

27th Busiest Airport in the World
by Passenger Traffic and the 8th Busiest
by Aircraft Movements



Colleges and Universities

The College of Southern Nevada (the third largest community college in the United States by enrollment) is the main higher education facility in the city. Other institutions include the University of Nevada School of Medicine, with a campus in the city, and the for-profit private school Le Cordon Bleu College of Culinary Arts.

Educational opportunities exist around the city; among them are the University of Nevada, Las Vegas and Nevada State College, Desert Research Institute, The International Academy of Design & Technology Las Vegas and Touro University Nevada.





Economic Summary

Las Vegas’s recovery continues, led by tourism and consumer spending. As of June 2017, approximately 27,300 jobs had been created over the past year, which equates to year-over-year growth of about 2.9%. The key to sustaining this growth will be the leisure and hospitality sector. With nearly one in three jobs based in the sector, the metro’s economic success is inherently tied to tourism. And based on stats from the Las Vegas Convention and Visitors Authority, things appear to be only looking up. The metro attracted a record 42 million visitors in 2015, over 2.5 million more than the previous high in 2012, and 2016 matched that number. A strengthening national economy will certainly help Las Vegas’s cause as increased disposable income encourages, even more, tourists and attracts visitor dollars to the metro.

Home prices are shooting up year-over-year and new home sale rates have significantly improved. This has led to more construction in the area. Construction jobs are expected to gain the most during this recovery as large projects on the Strip such as Genting Group’s \$4 billion Resorts World Las Vegas take shape along with the MGM-AEG arena. That project alone is expected to add 30,000 constructions jobs. There is an emphasis on diversifying Las Vegas’s economy and making sure there is not an over-reliance on construction. Projects like the Tesla factory in Reno and attracting additional healthcare related jobs have been discussed. Two major hospitals provide the bulk of employment in the NorthWest Las Vegas submarket.



27,300 Jobs Created 2017
2.9%. Year-Over-Year Growth
Key to Sustaining Growth will be the Leisure and Hospitality Sector



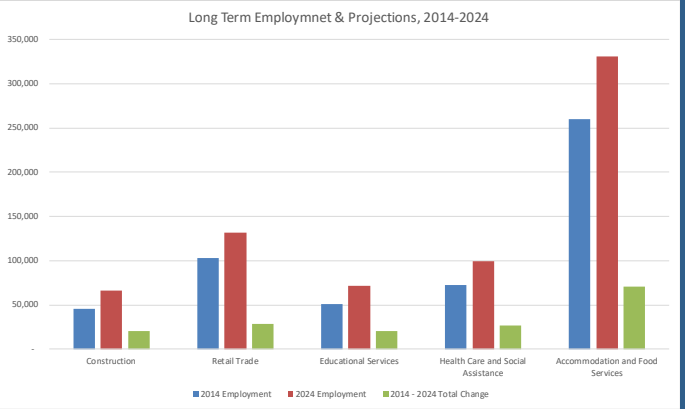
49 Million Visitors in 2017
7 Billion LV Strip
Gross Gaming Revenue



Home Prices Shooting Up
Las Vegas Home Prices have been Rising at one of the Fastest Rates in the Country

Long Term Employment Projections

1 in 3 Jobs Based in the Hospitality Sector



LAS VEGAS STRIP STATS



**Las Vegas Strip Generated \$6.46 Billion in Gaming Revenue
(2.6x More any Other U.S. City)**

Casino Trends (February to July 2018) – UNLV Center for Gaming Research



**Las Vegas Strip Gaming Revenues are Up 5.16%
Slot Win Up 2.05% and Game Win Up 8.32%**

Casino Trends (February to July 2018)



**Casinos Earning More than \$72M/Year
Revenues Up Almost 4% from 2016 – 2017
Occupancy Rate of 93.5% for 2017 & 93.1% in 2016**

UNLV Center for Gaming Research



**85,104 (2017)
Total Average Number of Employees for All Casinos
3,546 (2017)**

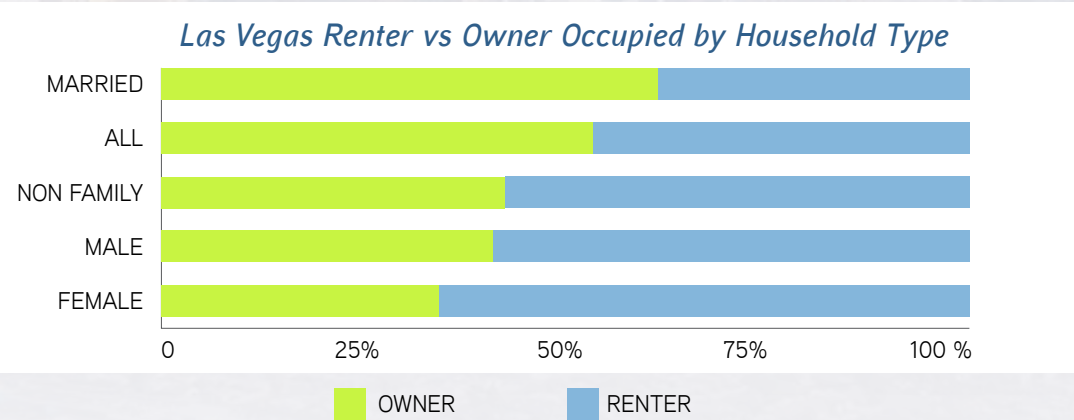
Total Average Number of Employees per Casino



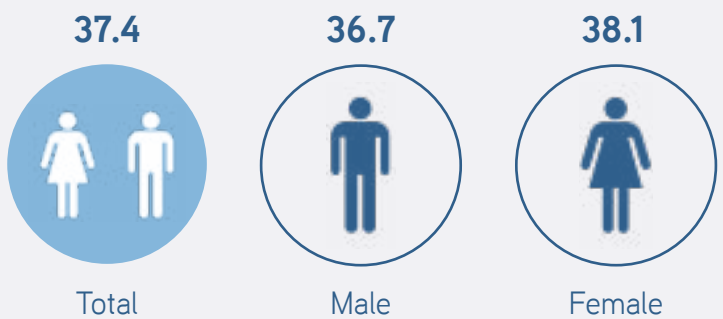
DEMOGRAPHICS

Las Vegas is the most populous city in Nevada and an internationally renowned resort city known for gambling, shopping, fine dining and its nightlife. Billed as the Entertainment Capital of the World, Las Vegas is quickly transforming into a popular family and retirement city as well and it is now the 31st most populous city in the state. In 2016, the city has an estimated population of over 600,000 residents.

Population	1-MILE	3-MILE	5-MILE
Estimated Population (2018)	17,096	170,340	410,437
Projected Population (2023)	18,627	188,452	447,977
Households	1-MILE	3-MILE	5-MILE
Estimated Households (2018)	7,801	74,243	164,237
Projected Households (2023)	8,501	82,274	179,377



Las Vegas Median Age



Las Vegas Adults

There are 466,104 adults, (85,248 of which are seniors) in Las Vegas.

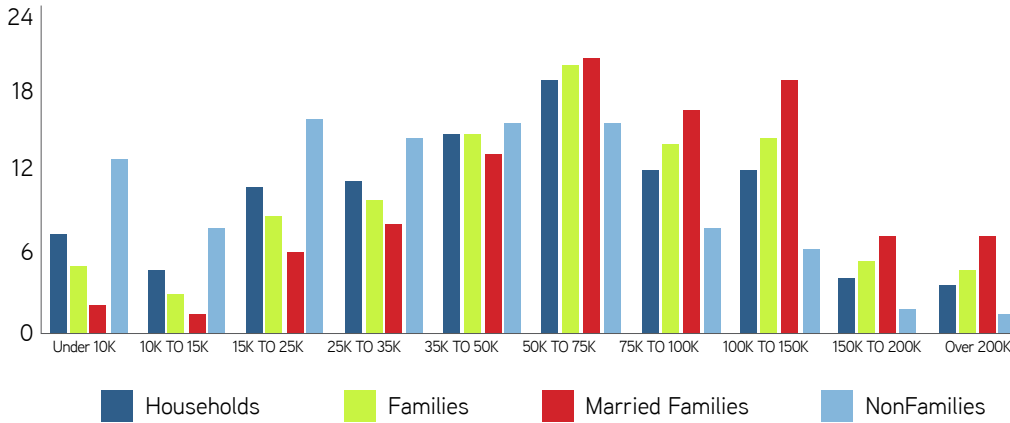


DEMOGRAPHICS

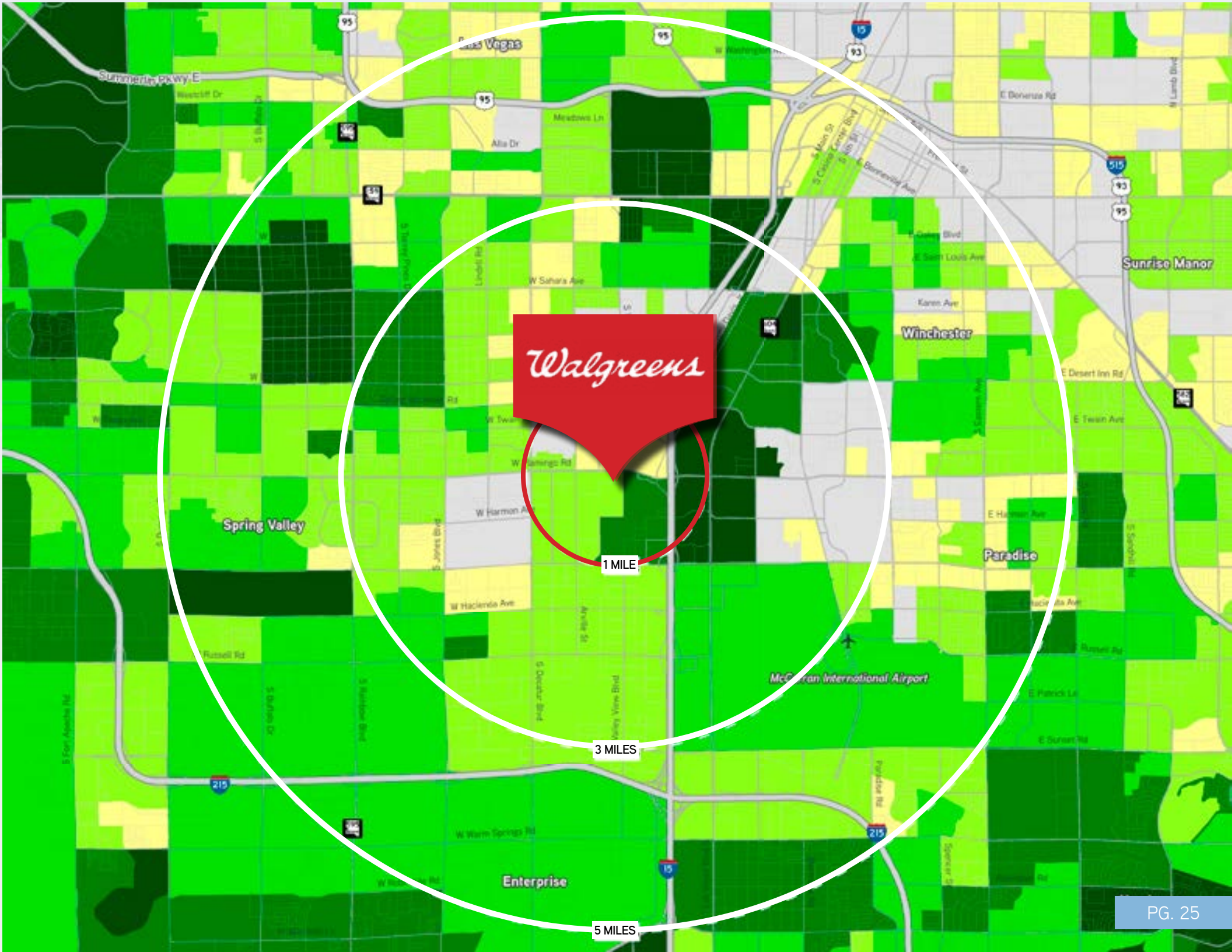
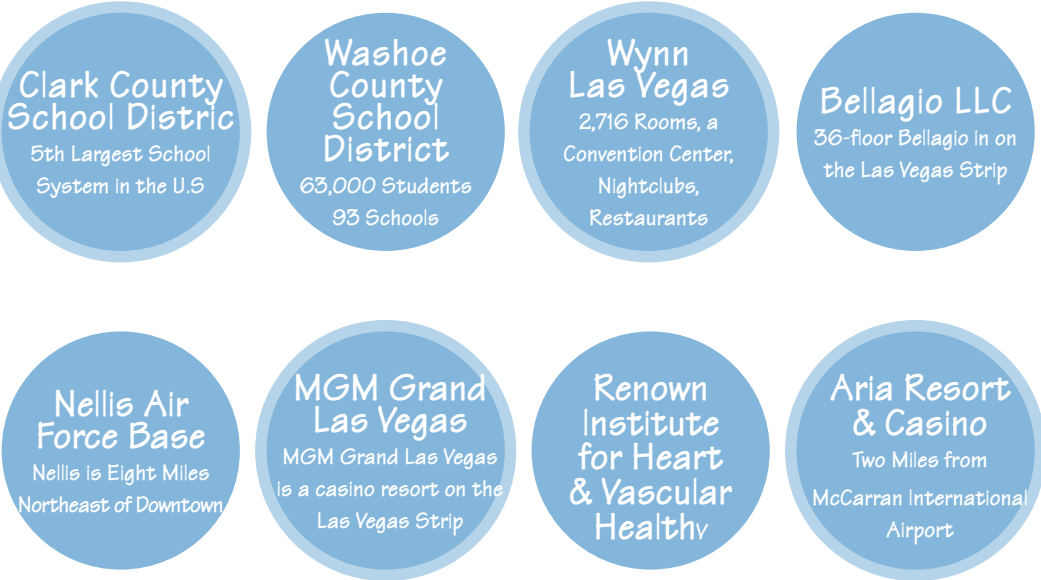
Income	1-MILE	3-MILE	5-MILE
Avg. Household Income (2018)	\$52,612	\$59,150	\$61,450
Median Household Income (2018)	\$34,751	\$37,144	\$41,851
Business Facts	1-MILE	3-MILE	5-MILE
Total # of Businesses (2018)	1,863	14,508	32,441
Total # of Employees (2018)	34,509	249,634	451,569



Las Vegas Income by Household Type



TOP EMPLOYERS IN NEVADA



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By acknowledging your receipt of this Offering Memorandum from Colliers, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Colliers International expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of Walgreens - Las Vegas, NV. or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Colliers International or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

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