



# WALGREENS

1905 ROUTE 33, NEPTUNE, NEW JERSEY 07753

EXCLUSIVELY LISTED BY :

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## Table of Contents

■ 5 Investment Overview & Highlights

■ 6 Offering Summary

■ 7 Tenant & Lease Overview

■ 8-11 Maps

■ 13 Demographic & Location Overview



## Investment Overview

Marcus & Millichap is pleased to present for sale a strong performing 24-hour Walgreens located at 1905 State Route 33 in Neptune, Monmouth County, New Jersey less than an hour driving distance from New York City. The subject property consists of a 19,390 square foot structure including 6,000 square feet of mezzanine space positioned on a 1.48-acre lot with 61 parking spaces and a drive-thru. This absolute triple-net (NNN) Walgreens has over seven (7) years remaining on the lease base term (option to terminate December 2025) and is corporately guaranteed by Walgreens Boots Alliance. The lease also features an additional 50 years of lease term with tenant options to terminate every five (5) years. Walgreens Boot Alliance is the largest retail pharmacy, health, and daily living destination across the U.S. and Europe with over 13,200 stores in 11 countries and an S&P credit rating of BBB.

This Walgreens is strategically located at the prime four-way signalized intersection of State Route 33/Corlies Avenue (22,220 Vehicles Per Day (VPD)) and Neptune Boulevard at the intersection's northwest corner. The subject property is uniquely situated adjacent to the 646-bed Jersey Shore University Medical Center, the only

trauma center in Monmouth and Ocean Counties and the region's only university-level academic medical center. Jersey Shore completed its largest expansion in its 105-year history in June 2018 with the addition of the \$265 million HOPE Tower featuring 300,000 square feet including a new cancer treatment center, advanced imaging technologies, and academic and research space. The subject property also benefits from limited surrounding competition, with the nearest national pharmacy chain situated over one mile east of its site, and its position adjacent to Neptune Middle School and Neptune High School. The subject is surrounded by a host of national and regional retailers including Stop & Shop, ALDI, Retro Fitness, DaVita Dialysis, Dollar General, Wawa, Taco Bell, and Advance Auto Parts, among others. The subject property is situated in an area with over 130,000 people living within a five-mile radius with an average annual household income of over \$102,000. This Walgreens leased asset provides qualified investors the opportunity to purchase a NNN investment with zero landlord responsibilities tenanted by the largest pharmacy retailer in the United States.

## Investment Highlights

- Strong Performing 24-Hour Absolute NNN Walgreens at the Prime Four-Way Signalized Highly Trafficked Intersection of Route 33 (22,220 VPD) and Neptune Boulevard
- Uniquely Situated Adjacent to the Recently Expanded 646-Bed Jersey Shore Medical Center, the Only Trauma Center in Monmouth and Ocean Counties
- Asset Benefits from Limited Competition with the Nearest National Drug Store Located Over One Mile East
- 7+ Years Remaining on Lease Base Term with 50 Additional Years of Term and Tenant Options to Terminate Every Five Years
- Surrounded by a Host of National and Regional Retailers Including Stop & Shop, ALDI, Retro Fitness, DaVita Dialysis, Wawa, and Advance Auto Parts, Among Others
- Situated in an Area with Over 130,000 People Within a Five-Mile Radius with an Average Annual Household Income of Over \$102,000
- Lease Corporately Guaranteed by Walgreens Boots Alliance, the Largest Retail Pharmacy, Health, and Daily Living Destination in the United States with an S&P Credit Rating of BBB

## Offering Summary

### PRICE

# \$9,038,200

Gross Leaseable Area	<b>19,390 SF</b>	Price Per SF	<b>\$466</b>
Cap Rate	<b>5.50%</b>	Lease Type	<b>Absolute NNN</b>
Expiration	<b>December 29, 2025</b>	Year 1 NOI	<b>\$497,100</b>
Lot Size	<b>1.48 Acres</b>	Term Remaining	<b>7+ Years</b>

### Rent Schedule

Start Date	End Date	Per SF	Monthly	Annual	Increases	Term
December 2000	December 2025	\$25.64	\$41,425	\$497,100	Flat	Base



### Property Details

Street Address	1905 State Route 33
City, State, Zip	Neptune, New Jersey 07753
Building SF	19,390 SF
Lot Size	1.48 Acres
Tax ID	35 012202-0000-00003
Zoning	C-6
Year Built	2001
Parking spaces	61
Stories	1 with Mezzanine

## Tenant & Lease Overview

### Tenant Overview - Walgreens

Tenant	Walgreens
Industry	Drug Store / Pharmacy
Parent	Walgreens Boots Alliance
Public/Private	Public
Ticker Symbol	NYSE: WAG
Net Revenue (FY 2017)	\$118.21 Billion
Operating Income (FY 2017)	\$5.557 Billion
Net Income	\$4.078 Billion
Credit Rating / Rating Agency	BBB / S&P Baa2 / Moody's
Number of Stores (U.S. Only)	10,000+
Headquarters	Deerfield, IL
Website	www.walgreens.com
Year Founded	1901
Fortune 500 Rank (2017)	#17

### Lease Overview - Walgreens

Building	19,390 SF
Rent Commencement	December 30, 2000
Lease Expiration	December 29, 2025
Lease Term Remaining	7+ Years
Rent / PSF	\$25.64
Monthly Rent	\$41,425
Annual Rent	\$497,100
Options	50 Years with Tenant Termination Options Every 5 Years
Option Rent	\$497,100
Lease Type	Absolute NNN
Landlord Responsibilities	None
Guarantor	Corporate Guarantee
Broker Co-Op	Yes

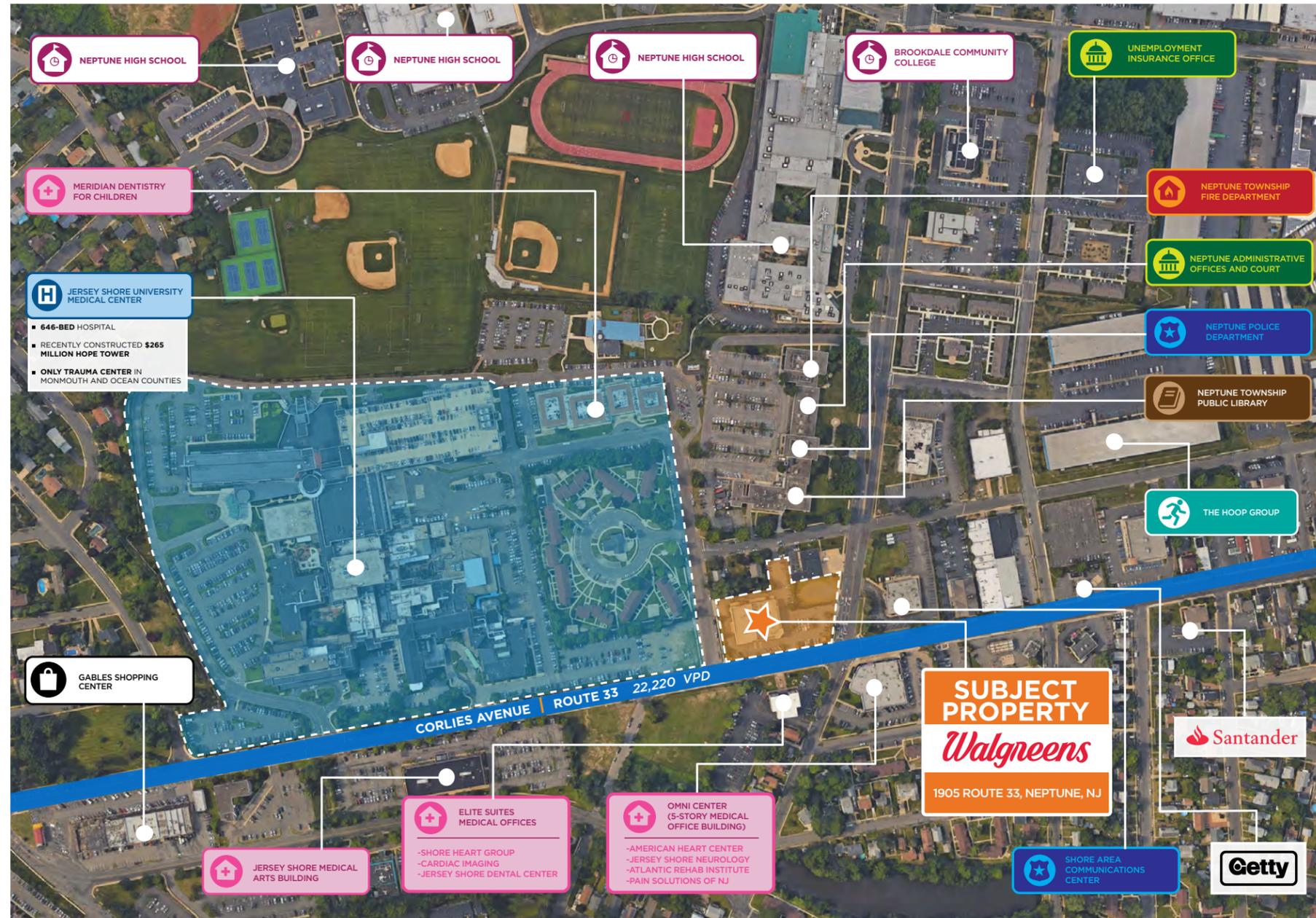
Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25\* countries and employ more than 385,000\* people. The 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. In March 2018, Walgreens Boots Alliance completed its acquisition of 1,932 retail locations from Rite Aid Corporation, a strategic move that will expand the company's reach and further solidify its position as the national leader in retail pharmaceutical services.

\* As of 31 August 2017, using publicly available information for AmerisourceBergen

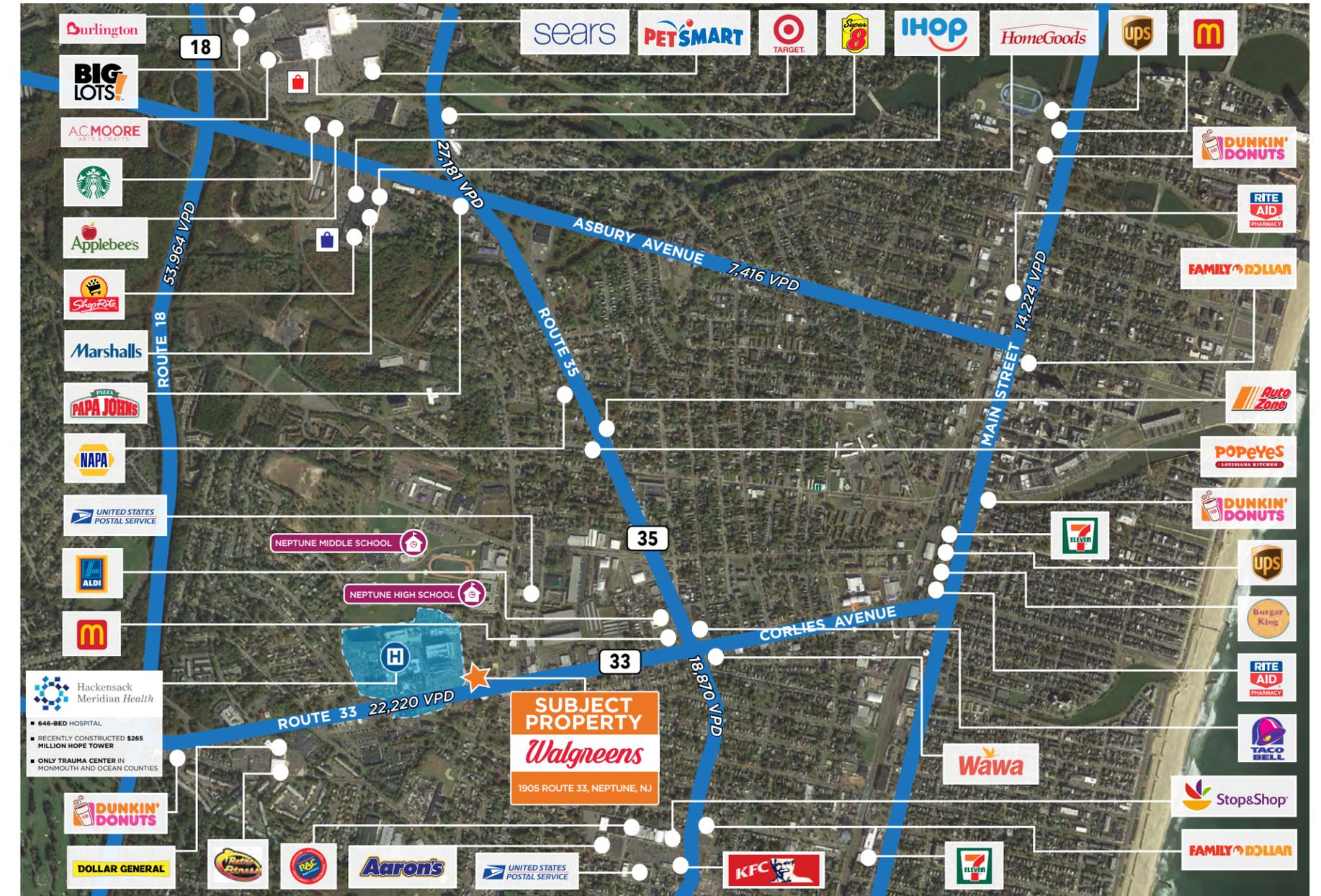
\*\* For 12 months ending 31 August 2017, using publicly available information for AmerisourceBergen

More company information is available at [www.walgreensbootsalliance.com](http://www.walgreensbootsalliance.com).

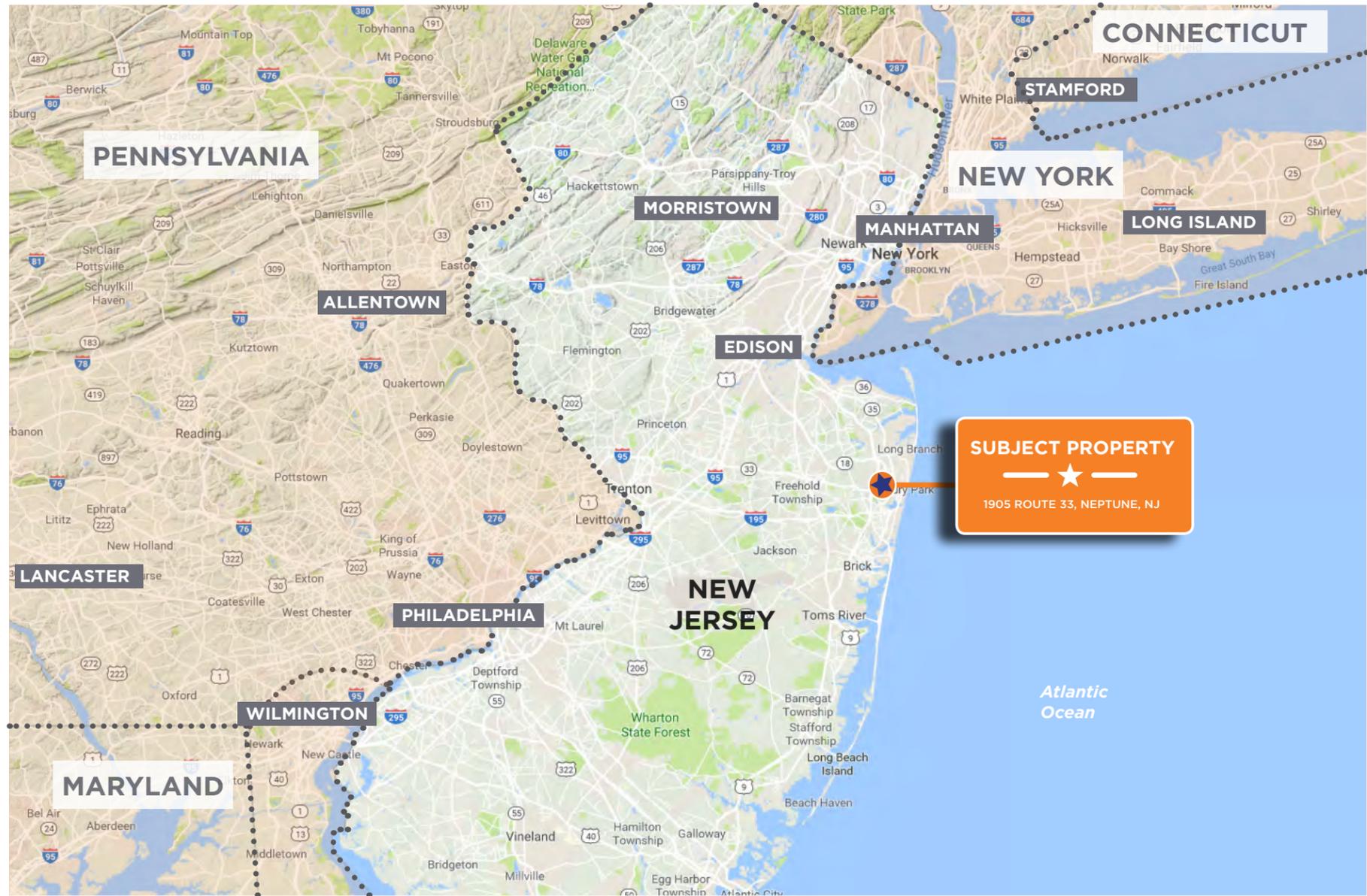
# Retail Map



# Major Retail Map

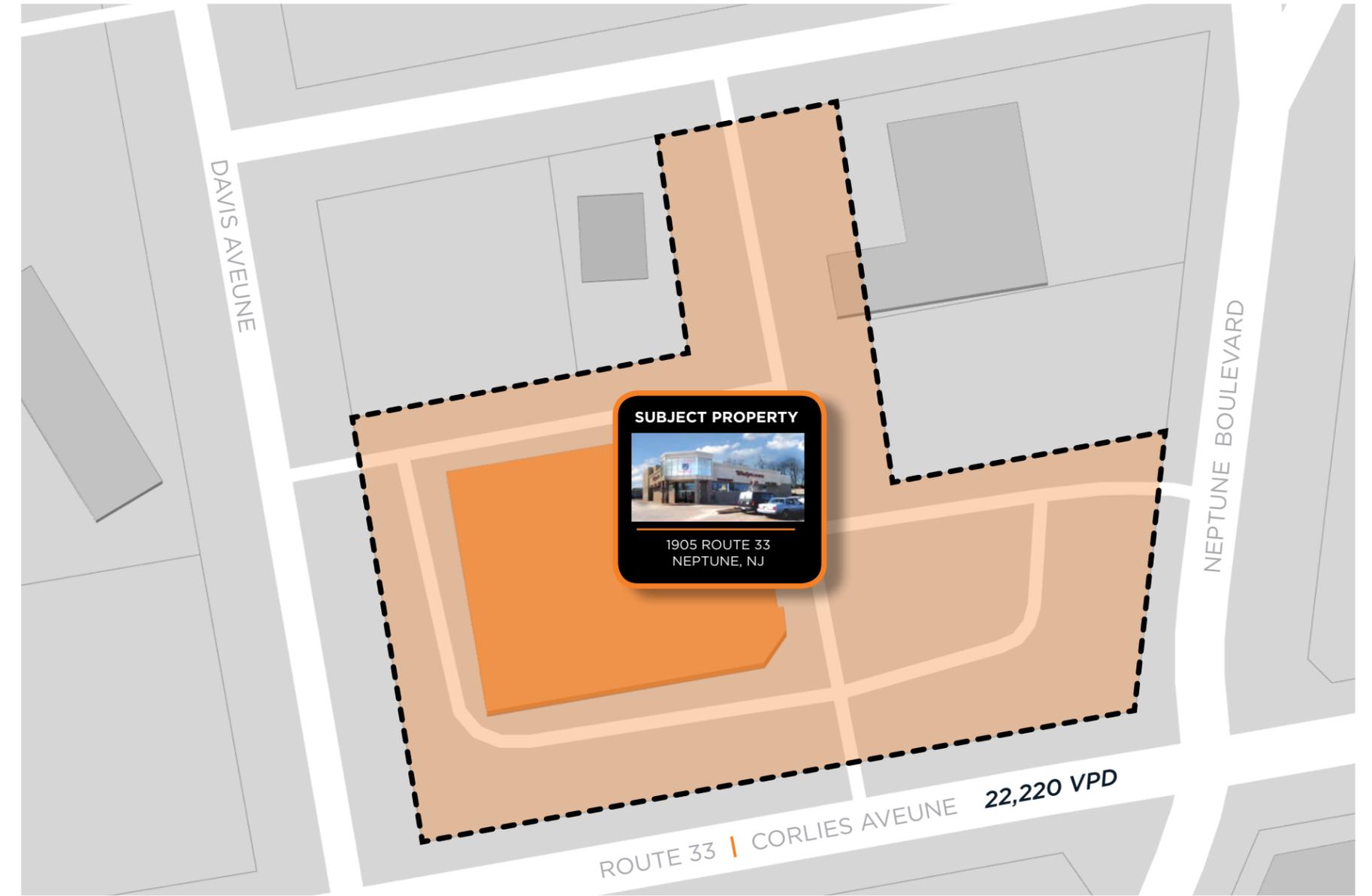


# Regional Map



\*Borders are approximate and to be used for reference purposes only.

# Parcel Map



\*Borders are approximate and to be used for reference purposes only.



## Location Overview

Known as the “Crossroads of the Jersey Shore” due to the major corridors traversing through and bordering the township, Neptune consists of eight square miles in the central easternmost portion of Monmouth County, New Jersey. Neptune is easily accessible from Garden State Parkway Exits 100 and 102 and features several major routes within including State Highways 18, 33, 35, 66, and 77. New Jersey Transit trains are conveniently located within Neptune at Bradley Beach/ Neptune Station along with bus routes providing public transportation throughout the region and state. Neptune is also strategically positioned roughly one-hour driving distance from two of the nation’s largest cities – New York and Philadelphia.

Neptune is home to Jersey Shore Medical Center, the only trauma center in Monmouth and Ocean Counties and the region’s only university level teaching center. This 646-bed hospital employs over 3,600 persons and generates in excess of \$850 million in revenue annually making it an economic powerhouse for the local community and New Jersey at large. In June 2018, the hospital celebrated the grand opening of HOPE Tower, its largest expansion in over 100 years. This \$265 million state-of-the-art facility features 300,000 square feet of cutting edge medical space designed 100 percent for outpatient services which will consolidate a substantial portion of the hospital’s offices that were previously scattered along Route 33 within its ten floors overlooking the Atlantic Ocean less than two miles east of the campus. Jersey Shore University Medical Center’s President Kenneth Sable has also shared the institution’s intentions to further develop and signaled the hospital could soon be a regional campus for the Hackensack Meridian School of Health at Seton Hall which would relocate from its current locations in northern New Jersey.

Tourism is also a cornerstone of economic activity in Neptune. Tourists spent \$2,441 billion in 2016 in Monmouth County, a 3.3 percent increase overall from the prior year on spending in local business fueling employment and sales in dining, recreation, lodging, retail, and transportation. Overall, Monmouth County sees about five million visitors annually from which Neptune materially benefits.

DEMOGRAPHICS	1 MILE	3 MILE	5 MILE
2017 Population	16,439	85,207	129,054
2022 Est. Population	16,356	85,457	130,747
Expected Growth 2017-2027	-0.50%	0.29%	1.31%
2017 Average Household Income	\$66,557	\$91,347	\$102,448

### Major Area Employers

EMPLOYER
Hackensack Meridian Health
Saker ShopRites Inc
Centrastate Healthcare Inc
RWJBarnabas - Monmouth Medical Center
Monmouth University

### Major Area Retailers

RETAILER
Stop & Shop
Aldi
McDonald’s
Wawa
Dunkin’ Donuts

### Traffic Counts

STREET NAME	VEHICLES PER DAY (VPD)
Route 18	53,964
Route 33   Corlies Avenue	22,220
Main Street	14,224
Route 35	18,870







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