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PROPERTY VIDEO

Walgreens

EXCLUSIVE NET-LEASE OFFERING

OFFERING MEMORANDUM

Subject Property
Walgreens

5305 Indian River Rd— Virginia Beach, VA 23464

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The Walgreens logo is written in a red, cursive script font.

5305 Indian River Rd– Virginia Beach, VA 23464

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Walgreens





Investment Highlights

PRICE: \$7,008,548 | CAP: 5.85% | RENT: \$410,000

Walgreens

About the Investment

- ✓ Long-Term, 25-Year Absolute Triple Net (NNN) Lease
- ✓ Ten (10), Five (5)-Year Tenant Renewal Options
- ✓ Corporate Tenant | Corporate Guarantee

About the Location

- ✓ Dense Retail Corridor | Food Lion, Harris Teeter, Aldi, Dollar Tree, AutoZone, Chick-fil-A, McDonald's, Panera Bread and KFC Among Various Others
- ✓ Robust Demographics | Population Exceeds 303,160 Individuals Within a Five-Mile Radius
- ✓ Compelling Location Fundamentals | Less Than 10 Miles from Norfolk International Airport (ORF) | 3rd Busiest Airport in Virginia | Serves Over 1,663,294 Passengers Annually
- ✓ Strong Academic Presence | Within Five Miles of Regent University and Bryant & Stratton College | Over 20,000 Students Enrolled
- ✓ Strong Traffic Counts | Over 82,317 Vehicles Per Day on Indian River Road | Over 146,000 Vehicles Per Day on Interstate-64
- ✓ Positive Real Estate Fundamentals | Located In Virginia Beach | Largest City in Virginia
- ✓ Affluent Suburban Community | Average Income Within a One-Mile Radius Exceeds \$92,451 | Population Exceeds 16,990 Individuals Within a 1-Mile Radius

About the Tenant / Brand

- ✓ Walgreens is One of the Nation's Largest Leading Drugstore Chains
- ✓ Walgreens Operates 8,100 Drugstores with a Presence in all 50 States, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.
- ✓ Walgreens Also Manages More Than 400 Healthcare Clinics and Provider Practice Locations Around the Country.
- ✓ Publicly Traded on the NYSE Under the Ticker Symbol 'WBA'
- ✓ BBB Credit Guaranty



Representative Photo



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Financial Analysis

PRICE: \$7,008,548 | CAP: 5.85% | RENT: \$410,000

Walgreens

PROPERTY DESCRIPTION

Property	Walgreens
Property Address	5305 Indian River Road
City, State, ZIP	Virginia Beach, VA 23464
Year Built / Renovated	2005
Building Size	14,820
Lot Size	+/- 2.01 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$7,008,548
CAP Rate	5.85%
Annual Rent	\$410,000
Price / SF	\$473
Rent / SF	\$27.67

LEASE SUMMARY

Property Type	Net-Leased Drug Store
Tenant/Guarantor	Corporate
Original Lease Term	25 Years
Lease Commencement	June 1, 2005
Lease Expiration	October 31, 2030
Lease Term Remaining	12 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Ten (10), Five (5)-Year Renewal Options

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year(s) 1 - 25	\$410,000	\$34,167	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Walgreens located at 5305 Indian River Road in Virginia Beach, Virginia. The site constructed in 2005, consists of roughly 14,820 rentable square feet of building space on estimated 2.01 acre parcel of land.

Walgreens is subject to a 25-year triple-net (NNN) lease, which commenced on June 1, 2005. The annual rent is \$410,000. There are ten (10), five (5)-year tenant renewal options, extending the total possible lease term to 75 years.



Representative Photo



Tenant Overview

CREDIT RATING: BBB

General Information

Address	5305 Indian River Rd, Virginia Beach, Virginia 23464
Phone	(908) 372-0466
Website	www.walgreens.com

Company Financial Highlights

Store Count (as of 8/31/2017)	14,500
TTM Sales	\$124,028,000,000
Stock Ticker	WBA
Average Store Size	13,900 Square Feet

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The company was created through the combination of Walgreens and Alliance Boots in December 2014, bringing together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted health care services through pharmaceutical wholesaling and community pharmacy care, dating 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 14,500** 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 addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

Walgreens



Walgreens Boots Alliance



The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Botanics, Liz Earle and Soap & Glory.

Walgreens Boots Alliance is included in Fortune magazine's 2018 list of the World's Most Admired Companies. This is the 25th consecutive year that Walgreens Boots Alliance or its predecessor company, Walgreen Co., has been named to the list.

More company information is available at www.walgreensbootsalliance.com

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

** As of 28 June 2018.

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



Surrounding Area

Property Address: 5305 Indian River Road, Virginia Beach, VA 23464

Walgreens





Location Overview

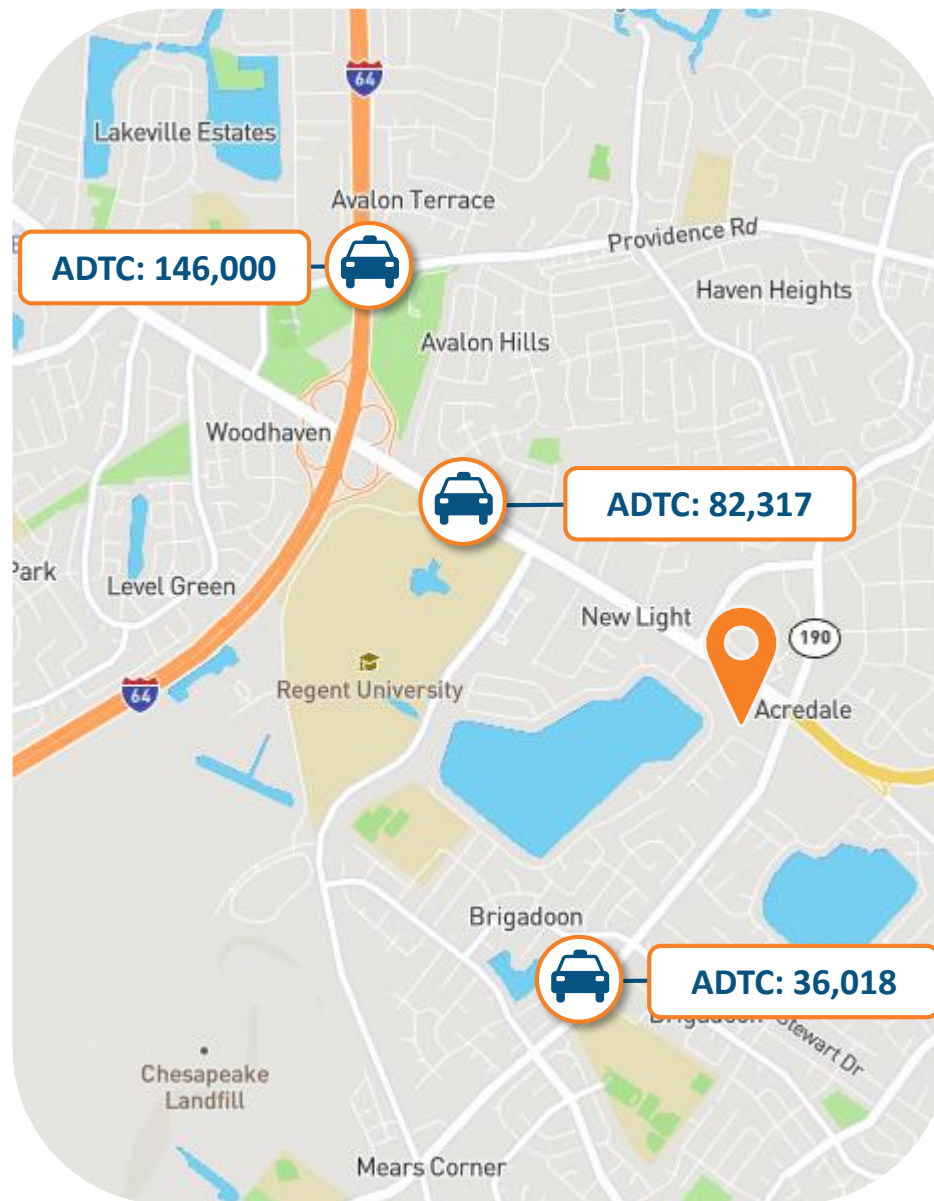
Property Address: 5305 Indian River Road, Virginia Beach, VA 23464

Walgreens

The subject investment property is situated on Indian River Road, which boasts average daily traffic counts exceeding 82,317 vehicles. Indian River Road intersects with Interstate-64 and Kempsville Road, which bring an additional 146,000 and 36,018 vehicles into the immediate area per day, respectively. There are more than 125,589 individuals residing within a three-mile radius of the property and more than 303,160 individuals within a five-mile radius. This Walgreens property is situated in an affluent suburban community with an average household income of over \$92,451 within a one-mile radius.

The Walgreens property benefits from being well-positioned on the hard corner of a signalized intersection in a highly dense retail corridor consisting of national and local tenants, shopping centers, and universities all within close proximity of this property. Major national tenants include: Food Lion, Harris Teeter, Aldi, Dollar Tree, AutoZone, Chick-fil-A, McDonald's, Panera Bread and KFC among various others. This Walgreens also benefits from being situated within a five-mile radius of several academic institutions. The most notable are Regent University and Bryant & Stratton College, which have a combined total enrollment exceeding 20,000 students. Saint Barnabas Medical Center, a 583-bed, nationally ranked, general medical, surgical and teaching facility, is located less than 10 miles from the subject property. Norfolk International Airport (ORT), the third-busiest airport in Virginia serves over 1,663,294 passengers annually and is located less than 10 miles from this Walgreens.

Virginia Beach is the most populated city in Virginia and contains lots of history. Today, while Virginia Beach is the most populated city within the MSA, it actually currently functions more as a suburb. The city of Norfolk is recognized as the central business district, while the Virginia Beach oceanside resort district and Williamsburg are primarily centers of tourism. Virginia Beach has a diverse economy based on private enterprise, thriving tourism, and a strong military presence. The Virginia Beach MSA has the largest concentration of military personnel outside of the Pentagon, with more than 86,000 active-duty military personnel here representing every branch in the Armed Forces. More than 75 federal facilities and defense installations are located in the Virginia Beach MSA. Additionally, other major companies headquartered in Virginia Beach include Amerigroup, the Christian Broadcasting Network and Operation Blessing International. Virginia Beach was also ranked at number 45 on Forbes list of best places for business and careers. The city is home to several points of interest such as the Virginia Museum of Contemporary Art, the Virginia Aquarium & Marine Science Center, the Military Aviation Museum, the Virginia Beach Amphitheater, the Edgar Cayce and the Neptune Festival.





Property Photo

Walgreens





Surrounding Area Photos

Walgreens

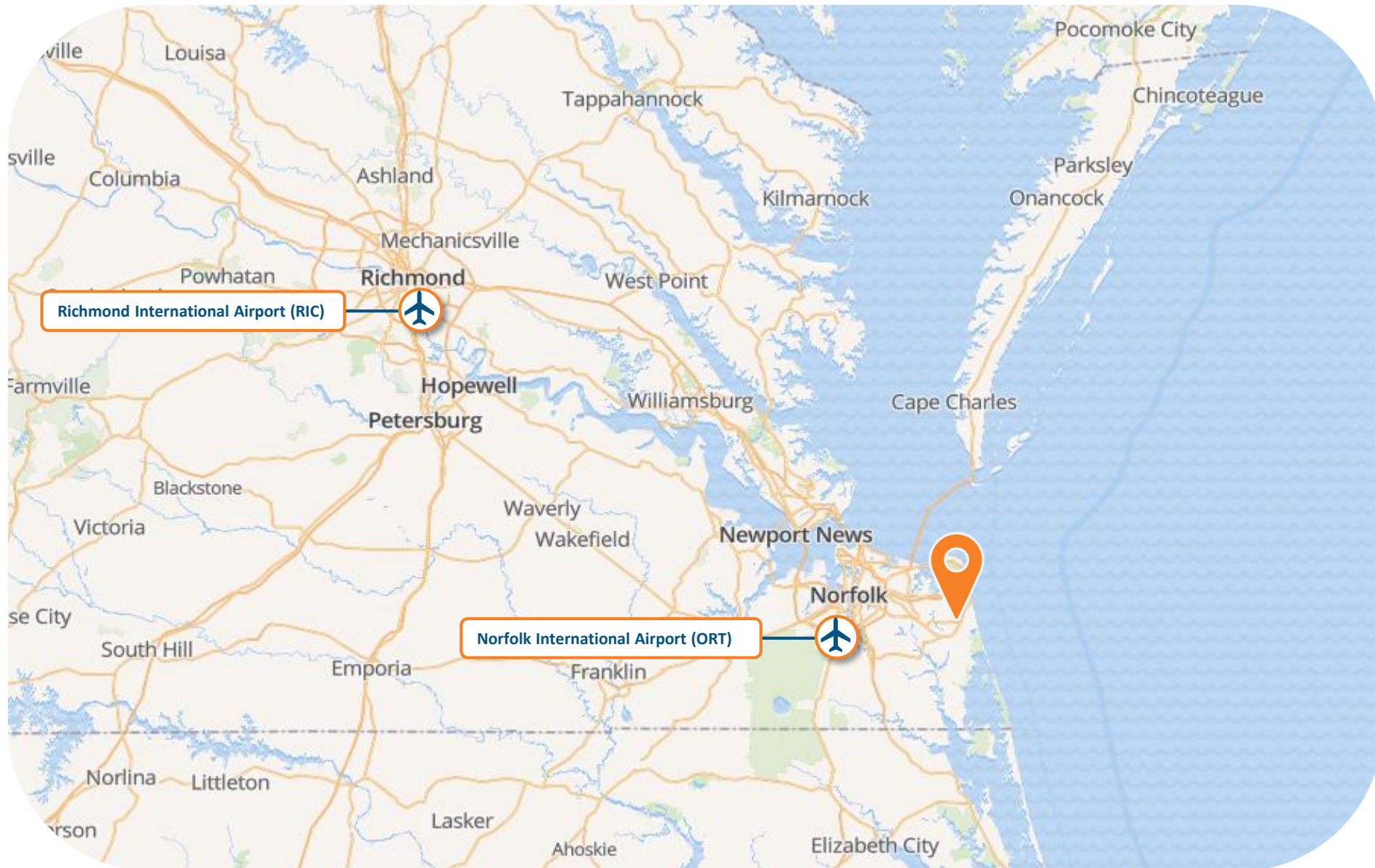




Local Map

Walgreens

Property Address: 5305 Indian River Road, Virginia Beach, VA 23464

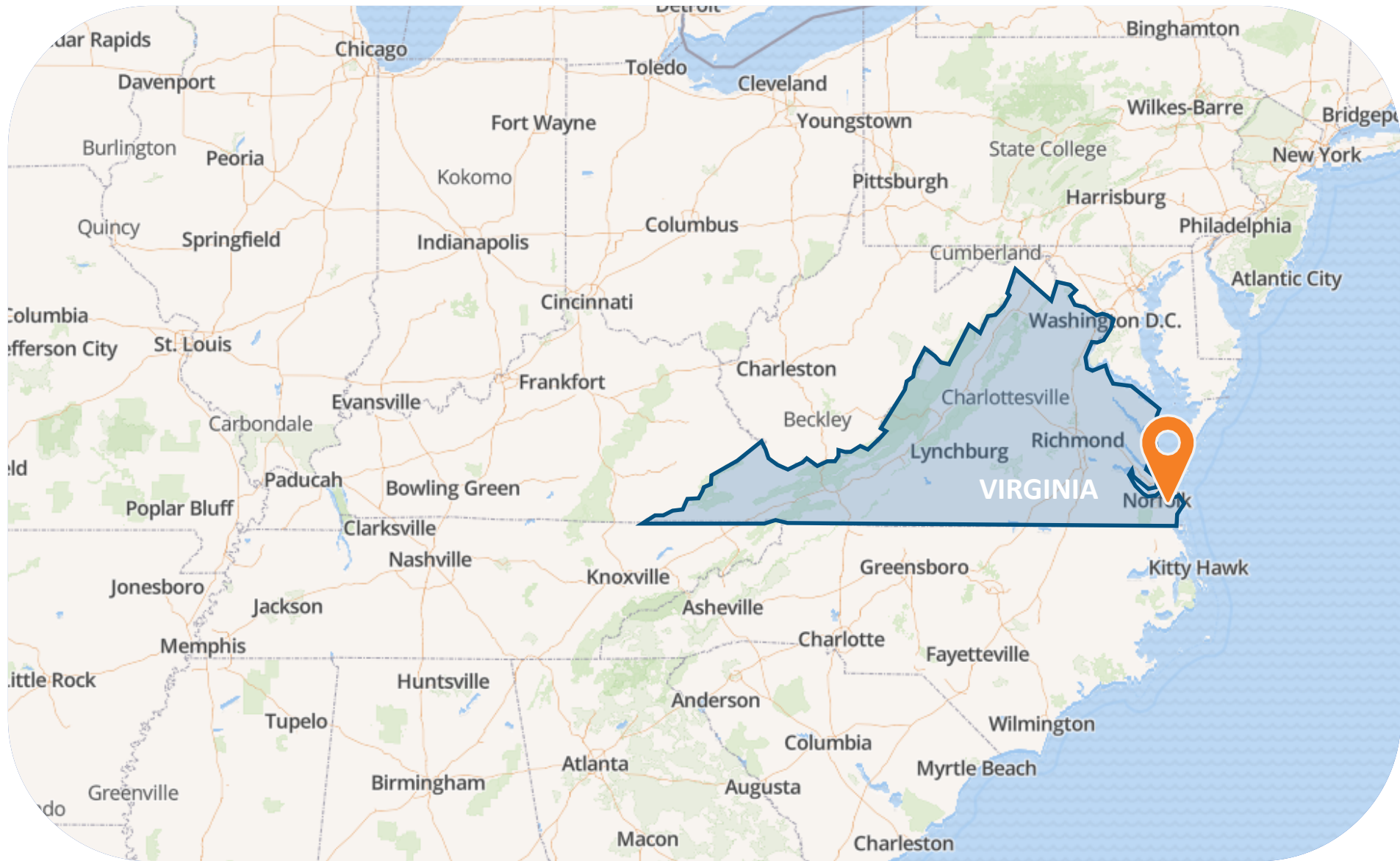




Regional Map

Walgreens

Property Address: 5305 Indian River Road, Virginia Beach, VA 23464

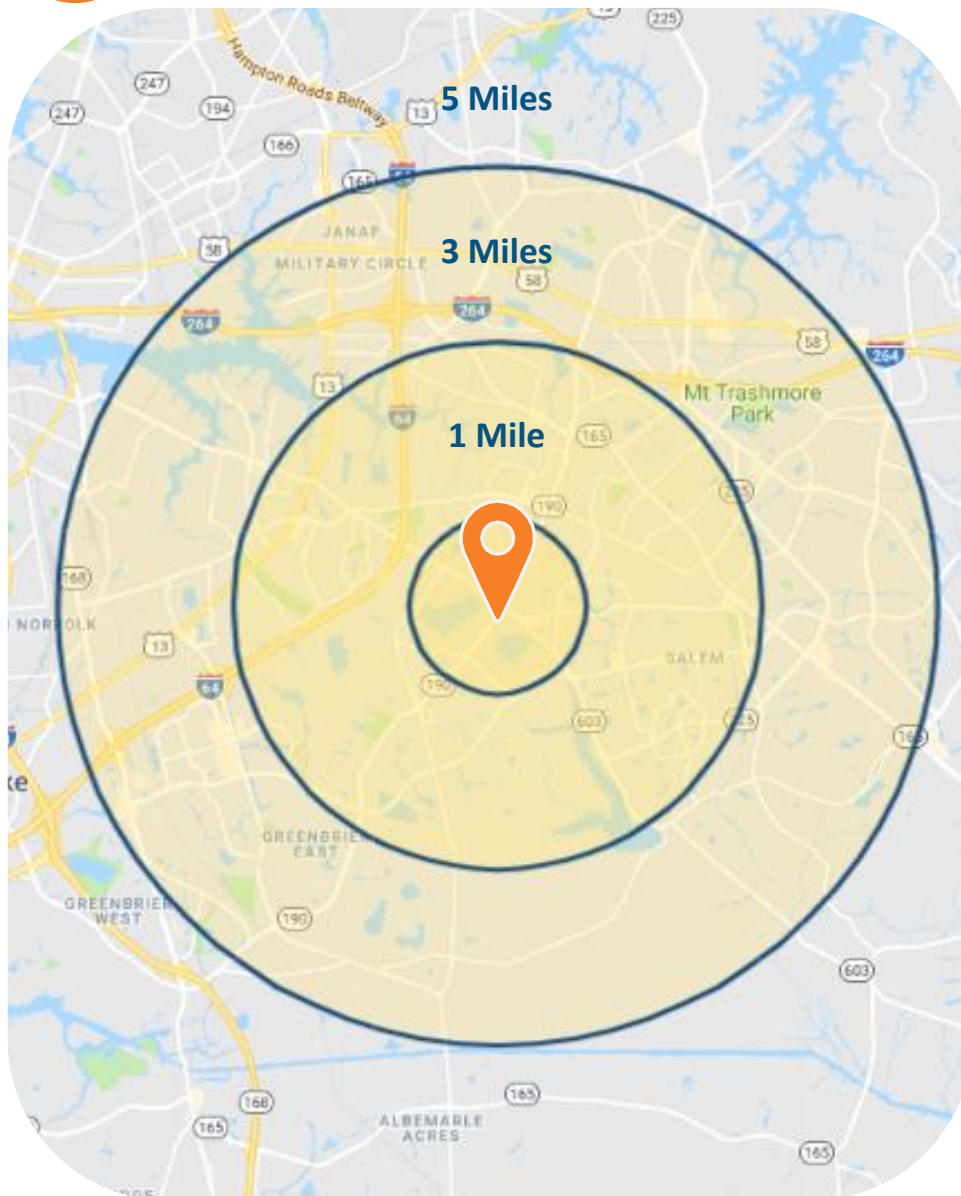




Demographics

Property Address: 5305 Indian River Road, Virginia Beach, VA 23464

Walgreens



POPULATION

	1 Mile	3 Miles	5 Miles
2022 Projection	16,996	130,334	303,160
2017 Estimate	16,746	125,589	294,005
2010 Census	16,259	117,721	277,774
2000 Census	15,817	111,641	265,676

INCOME

	1 Mile	3 Miles	5 Miles
Average	\$92,451	\$88,640	\$78,809
Median	\$78,710	\$75,104	\$65,325
Per Capita	\$34,319	\$32,804	\$29,771

HOUSEHOLDS

	1 Mile	3 Miles	5 Miles
2022 Projection	6,351	48,712	115,356
2017 Estimate	6,203	46,317	110,562
2010 Census	5,992	43,012	103,837
2000 Census	5,467	38,342	95,290

HOUSING

	1 Mile	3 Miles	5 Miles
2017	\$256,328	\$259,269	\$240,096

EMPLOYMENT

	1 Mile	3 Miles	5 Miles
2017 Daytime Population	10,967	113,196	297,910
2017 Unemployment	3.76%	3.70%	4.37%
2017 Median Time Traveled	25 Mins	25 Mins	25 Mins

RACE & ETHNICITY

	1 Mile	3 Miles	5 Miles
White	60.91%	58.89%	53.56%
Native American	0.15%	0.14%	0.15%
African American	19.82%	23.25%	29.98%
Asian/Pacific Islander	12.18%	10.28%	8.42%



Market Overview

City: Virginia Beach | County: None | State: Virginia

Virginia Beach, Virginia

Virginia Beach is an independent city located on the southeastern coast of the Commonwealth of Virginia. As of the 2010 census, the population was 437,994 and in 2015, the population was estimated to be 452,745. Although mostly suburban in character, it is the most populous city in Virginia and the 41st-most populous city in the U.S. Located on the Atlantic Ocean at the mouth of the Chesapeake Bay, Virginia Beach is included in the Hampton Roads metropolitan area. This area, known as "America's First Region", also includes the independent cities of Chesapeake, Hampton, Newport News, Norfolk, Portsmouth, and Suffolk, as well as other smaller cities, counties, and towns of Hampton Roads.

Virginia Beach is a resort city with miles of beaches and hundreds of hotels, motels, and restaurants along its oceanfront. The city's largest festival, the Neptune Festival, attracts 500,000 visitors to the oceanfront and 350,000 visitors to the air show at NAS Oceana. Celebrating the city's heritage link with Norway, events are held in September in the oceanfront and Town Center areas. Every August, the American Music Festival provides festival attendees with live music performed on stages all over the oceanfront, including the beach on Fifth Street. Every year the city hosts the East Coast Surfing Championships as well as the North American Sand Soccer Championship, a beach soccer tournament. It is also home to several state parks, long-protected beach areas, three military bases, several large corporations, Regent University, International headquarters and site of the television broadcast studios for Pat Robertson's Christian Broadcasting Network (CBN), Edgar Cayce's Association for Research and Enlightenment, and numerous historic sites. Near the point where the Chesapeake Bay and the Atlantic Ocean meet, Cape Henry was the site of the first landing of the English colonists, who eventually settled in Jamestown, on April 26, 1607. Additionally, the city is listed in the Guinness Book of Records as having the longest pleasure beach in the world. It is located at the southern end of the Chesapeake Bay Bridge-Tunnel, the longest bridge-tunnel complex in the world.

Major Employers

Employer	Estimated # of Employees
SENTARA CANCER NETWORK (NORFOLK)	1,509
Gfp Plastics	1,500
Walmart	1,225
Amsec Corporation	1,200
P R A Receivable Mgmt LLC	1,187
Harris Connect LLC	1,180
PRA Location Services LLC	791
Jbc Entertainment Holdings Inc	764
Verizon	724
700 CLUB	700
Oceaneering International Inc	690



EXCLUSIVE NET LEASE OFFERING

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