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CLIENT FOCUSED, RETAIL DRIVEN

Marcus & Millichap

WALGREENS

1214 WESTOVER HILLS

RICHMOND, VIRGINIA 23225

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Investment Overview

Marcus & Millichap is pleased to exclusively present an opportunity to acquire a freestanding Walgreens property located at 1214 Westover Hills Boulevard, Richmond, VA. The property consists of a 13,905-square foot, single-story building with 58 on-site parking spaces with a drive-thru, and is situated on a 1.88-acre lot. Walgreens has occupied this proven location for over 19 years (since 1998) and has waived their right to terminate the lease, extending the term through 2028 (10 years remaining). The lease is corporately guaranteed by Walgreens Boots Alliance, Inc., the largest drugstore chain in the United States with more than 13,200 retail locations in more than 25 countries. Walgreens Boots Alliance (NYSE: WBA; Moody’s:Baa2 / S&P: BBB) is the first global, pharmacy-led health and well-being enterprise with sales of \$117.35 billion for fiscal year 2016 and is ranked #17 in Fortune 500 companies (2017).

Walgreens is located on a hard corner, at the intersection of Westover Hills Boulevard (16,000 Vehicles Per Day (VPD)) and Forest Hill Avenue (22,000 VPD). Walgreens is surrounded by major retailers which include Bank of America, McDonald’s, Burger King, Wendy’s, Family Dollar and many others. The property is also in close proximity to the Richmond Coliseum, the second largest sports arena in Virginia that also hosts various large concerts. The property is in an area with a population of 241,000 people living within a five-mile radius and an average household income of \$67,000. The subject property provides an opportunity for qualified investors to purchase a management free asset, tenanted by one of the largest pharmacy store chains in the nation, located in the capital of Virginia.

Investment Highlights

- Freestanding Walgreens with 10 Years Remaining on a Double-Net (NN) Lease
- The Property Consists of a 13,905-Square Foot, Single-Story Building with a Drive-Thru and 58 On-Site Parking Spaces
- Walgreens Has Occupied this Location Since 1998 and Recently Waived their First and Second Termination Rights, Extending the Lease through 2028
- Located on the Corner of the Signalized Intersection of Westover Hills Boulevard (16,000 VPD) and Forest Hill Avenue (22,000 VPD)
- Major Retailers in the Immediate Area Include: McDonald’s, Burger King, Wendy’s, Bank of America, and Family Dollar, Among Others
- In Close Proximity to the Richmond Coliseum, the Second Largest Sports Arena in Virginia that Also Hosts Various Large Concerts
- In an Area with a Population of 241,000 People Living within a Five-Mile Radius and an Average Household Income of \$67,000

The Offering

PRICE		\$4,260,000	
Price / SF	\$306	Gross Leaseable Area	13,905 SF
Cap Rate	6.50%	Year 1 NOI	\$277,207
Expiration	Jul-28	Years Remaining	10 Years

Property Details

Street Address	1214 Westover Hills Boulevard	Number of Stories	One
City, State Zip	Richmond, VA 23225	Year Built/Renovated	1998
Tax Parcel Numbers	S-006-0293-016	Parking	58 Spaces
Lot Size	1.88 Acres / 81,892 SF	Parking Ratio	4.17 / 1,000 SF
Gross Leasable Area (GLA)	13,905 SF		

Operating Data

	\$/SF	CURRENT
Potential Gross Revenue		
Base Rent	\$19.94	\$277,207
Net Operating Income	\$19.94	\$277,207

Rent Schedule

Start Date	End Date	Per SF	Annual	Term
Current	7/31/28	\$19.94	\$277,207	Base Term
8/1/28	7/31/68	\$19.94	\$277,207	8, 5-Year Option Periods

Note: Walgreens agreed to waive their first 2 termination options, extending the expiration of the term through 2028.

Rent Roll

Tenant	GLA	Lease Start	Lease Expiration	CURRENT RENTAL RATE			Increases	Termination Options	Option Rent
				Per SF	Monthly	Annual			
Walgreens	13,905	Jul-98	Jul-28	\$19.94	\$23,101	\$277,207	Flat	As of 7/31/2028 and Every 5 Years Thereafter Through 7/31/2068 (8, 5-Year Options Remaining)	Fixed at \$277,207



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Tenant Overview

Tenant	Walgreens
Industry	Drug Store/Pharmacy
Type	Subsidiary
Parent	Walgreens Boots Alliance
Public / Private	Public
Ticker Symbol	NASDAQ: WBA
Sales / Revenue	\$117.35 Billion
Net Income (2016)	\$4.17 Billion
Credit Rating / Rat-	BBB / S&P Baa2 / Moody's
Number of Stores	13,200
Headquarters	Deerfield, IL
Website	www.walgreensbootsalliance.com
Year Founded	2014



Whether you get your drugs from the pharmacist or the chemist, Walgreens Boots Alliance has you covered. The company, formed when US-based Walgreen Co. bought its European counterpart Alliance Boots, includes nearly 13,000 retail pharmacies (or chemists in some parts of the world) in 10 countries, mostly the US and its territories and the UK, selling prescription and OTC drugs along with health and beauty products and general merchandise. The Alliance Boots part of the company also includes wholesale operations serving more than 200,000 pharmacies, hospitals, and clinics in a nearly 20 countries. Walgreens Alliance Boots was formed in 2014; it has scrapped plans to buy US pharmacy chain Rite Aid.

Lease Overview

GLA	13,905 SF
Lease Start	Jul-98
Lease Expiration	Jul-28
Original Lease Term	20 Years
Lease Term Remaining	10 Years
Rent / SF	\$19.94
Monthly Rent	\$23,101
Annual Rent	\$277,207
Increases	Flat
Termination Options	As of 7/31/2028 and Every 5 Years Thereafter Through 7/31/2068 (8, 5-Year Options Remaining) Tenant must give 12 months notice (Walgreens agreed to waive their first 2 termination options, extending the expiration of the term through 2028.)
Option Rent	Fixed at \$277,207
Lease Type	Double-Net (NN)
Roof & Structure	Landlord Responsibility
Guarantor	Corporate Guarantee (Walgreens Co. [a Subsidiary of Walgreens Boots Alliance])

Parcel Map



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

Major Local Retailers



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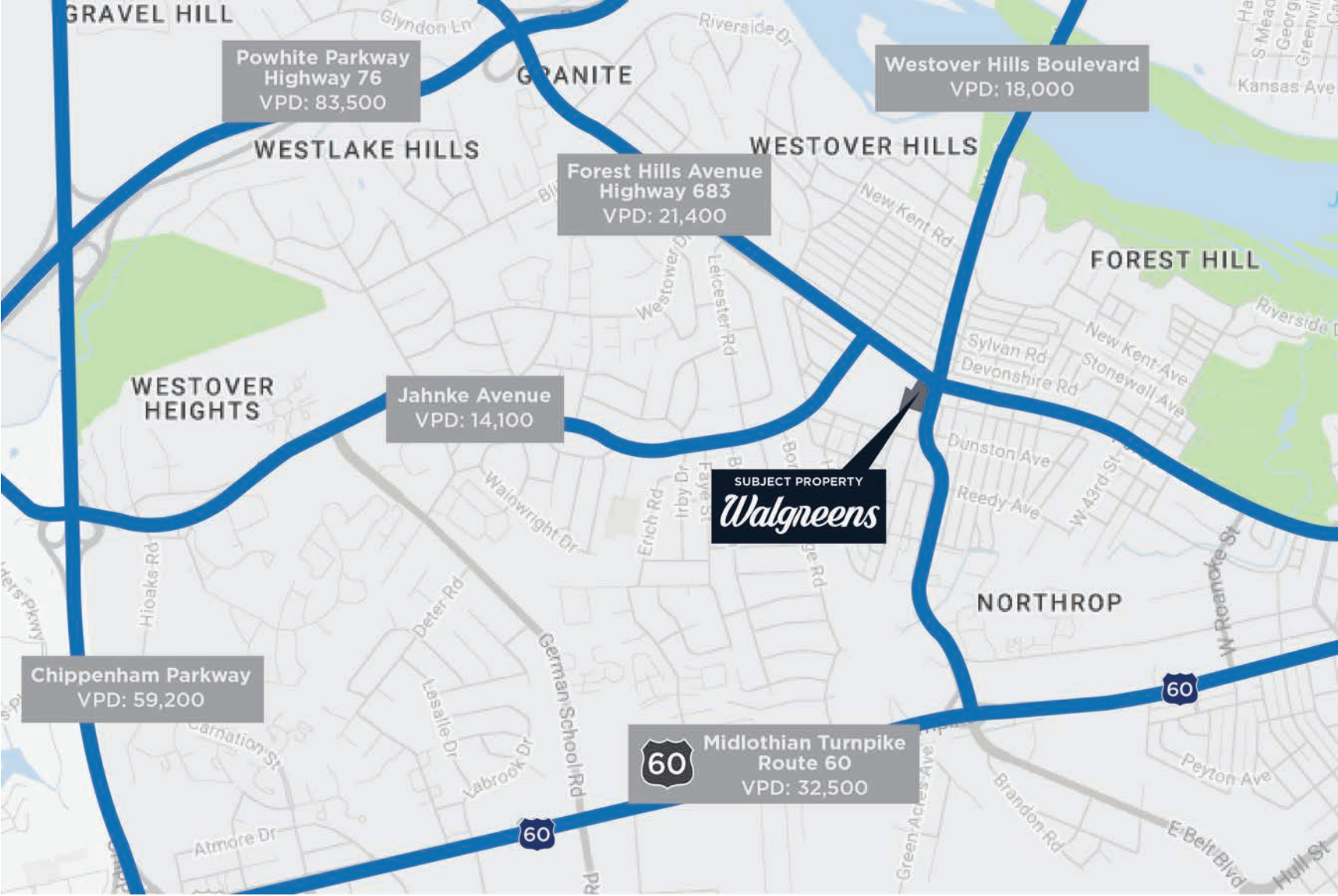
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Regional Map



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Local Map

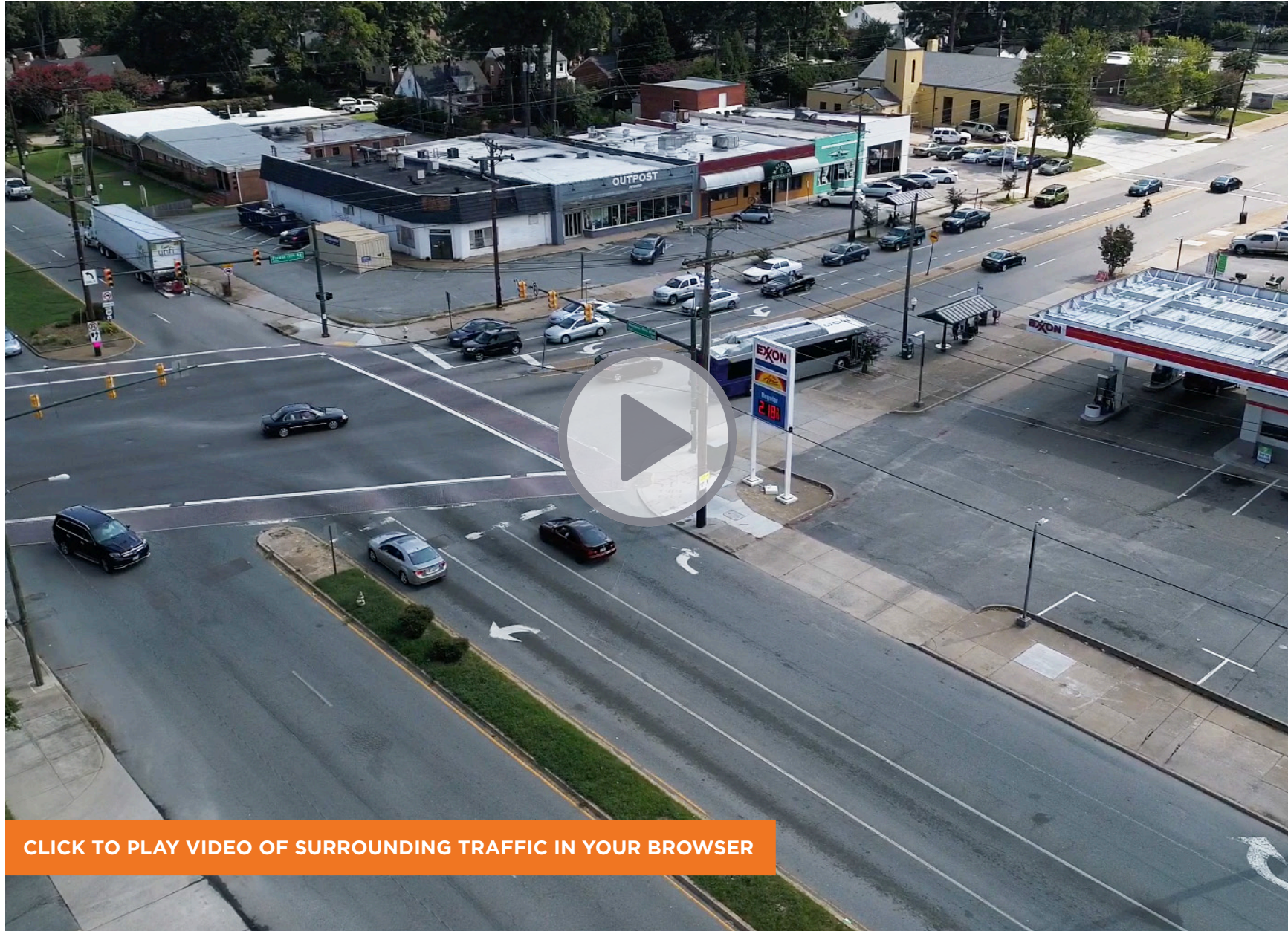


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CLICK TO PLAY VIDEO OF SUBJECT PROPERTY IN YOUR BROWSER



CLICK TO PLAY VIDEO OF SURROUNDING TRAFFIC IN YOUR BROWSER

Demographics

	1 MILE	3 MILE	5 MILE
2016 Population	10,760	107,137	241,036
2021 Population	10,842	108,902	245,123
2016 Households	5,277	47,620	101,699
2016 Average Household Income	\$68,270	\$63,814	\$67,324
2016 Median Household Income	\$47,204	\$41,009	\$43,699
2016 Per Capita Income	\$33,786	\$29,106	\$29,272

Major Area Employers

COMPANY	# OF EMPLOYEES
Dominion Resources Services Inc.	8,011
Wachovia Securities Financial	8,000
Dominion Resources Inc.	7,800
State Council of Higher Education VA	6,210
VCU (Virginia Commonwealth University)	5,463

Major Area Retailers

RETAILER
Bank of America
CVS/Pharmacy
Family Dollar
McDonald's
Save-A-Lot

Traffic Counts

STREET NAME	VEHICLES PER DAY (VPD)
Forest Hill Avenue	22,000
Westover Hills Boulevard	16,000

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Location Overview

Richmond is the capital of the Commonwealth of Virginia. It is an independent city and serves as county seat of Henrico County. Richmond is the center of the Richmond Metropolitan Statistical Area and the Greater Richmond area. The Richmond metro is composed of 13 counties and four cities in central Virginia, including the city of Richmond. The largest populations in the metro are concentrated in Chesterfield and Henrico counties, followed by the city of Richmond itself. The population of the Richmond metro is expected to grow by 0.9 percent annually through 2020. Richmond serves as an important junction of multiple interstate highways. The north-south Interstates 85 and 95, as well as east-west I-64, come together in the metro, in addition to a number of U.S. highways. Air travel in the metro is provided by Richmond International Airport in Sandston. The airport serves more than 100,000 annual flights globally. Richmond’s economy is primarily driven by law, finance, and government, with federal, state, and local government agencies as well as notable legal and banking

firms, located in the downtown area. The city is home to the United States Court of Appeals for the Fourth Circuit, on of 13 United States Courts of Appeals, and the Federal Reserve Bank of Richmond, one of 12 Federal Reserve Banks. Dominion Resources and MeadWestvaco, Fortune 500 companies, are headquartered in the city, with others in the metropolitan area. Tourism is also important, as many historic sites are in or nearby the city. Richmond is a strategic center of commerce, innovation, and decision-making power in the Commonwealth of Virginia. The area is also the location of a substantial presence of high education institutions such as The University of Richmond (UR), Virginia Commonwealth University (VCU), and Virginia Union University (VUU) campuses have a combined enrollment of 37,000 students and collectively employ 4,000 faculty and staff. Overall, the Richmond economy is forecast to expand by 3.3 percent this year. Retail sales in the metro rose an estimated 2.8 percent in 2015, ahead of the 2.2 percent gain at the national level.



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Demographic Summary 5-Mile Radius

POPULATION

In 2016, the population in your selected geography is 241,036. The population has changed by 12.16% since 2000. It is estimated that the population in your area will be 245,123 five years from now, which represents a change of 1.70% from the current year. The current population is 48.04% male and 51.96% female. The median age of the population in your area is 33.2 , compare this to the Entire US average which is 37.7 . The population density in your area is 3,066.15 people per square mile..

HOUSEHOLDS

There are currently 101,699 households in your selected geography. The number of households has changed by 11.01% since 2000. It is estimated that the number of households in your area will be 104,482 five years from now, which represents a change of 2.74% from the current year. The average household size in your area is 2.23 persons.

INCOME

In 2016, the median household income for your selected geography is \$43,699 , compare this to the \$Entire US average which is currently \$54,505 . The median household income for your area has changed by 27.53% since 2000. It is estimated that the median household income in your area will be \$50,275 five years from now, which represents a change of 15.05% from the current year. The current year per capita income in your area is \$29,272 , compare this to the \$Entire US average, which is \$29,962.

The current year average household income in your area is \$67,324, compare this to the entire US average which is \$78,425.

RACE & ETHNICITY

The current year racial makeup of your selected area is as follows: 45.65% White, 44.03% Black, 0.09% Native American and 2.57% Asian/Pacific Islander. Compare these to entire US averages which are: 70.77% White, 12.80% Black, 0.19% Native American and 5.36% Asian/Pacific Islander.

People of Hispanic origin are counted independently of race. People of Hispanic origin make up 8.38% of the current year population in your selected area. Compare this to the entire US average of 17.65%.

HOUSING

In 2000, there were 45,624 owner occupied housing units in your area and there were 45,992 renter occupied housing units in your area. The median rent at the time was \$485.

EMPLOYMENT

In 2016, there are 234,195 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 64.29% of employees are employed in white-collar occupations in this geography, and 35.63% are employed in blue-collar occupations. In 2016, unemployment in this area is 5.90% . In 2000, the average time traveled to work was 23.1 minutes.



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