

Walgreens



amazonhq2

3 MILES AWAY



ACTUAL PHOTO

 1509 MOUNT VERNON AVE, ALEXANDRIA, VA 22301

Marcus & Millichap

INVESTMENT OVERVIEW

Marcus & Millichap is pleased to present for sale this Trophy Net Leased Fee Simple Walgreens located in Alexandria, Virginia. The subject property consists of a 14,820 square foot retail space with ample parking on a .75-acre parcel of land.

Strategically located in the heart of the Washington D.C Metro, the property benefits from an array of demographical advantages: affluent neighborhoods, tourism, a strong professional workforce, a multitude of Federal Government agencies, Military Bases, and several major companies headquartered in the nearby trade area such as Lockheed Martin, General Dynamics, Hilton Worldwide, and Marriott International. Just a quick five minute drive from Ronald Reagan Washington National Airport and within close proximity of both D.C Metro Rail and DC Metro Bus, this Walgreens serves countless commuters, travelers, and full time residents. It's also located near the Pentagon, a short drive from Downtown Washington D.C, and just minutes from several restaurants, boutiques, and historic museums.

There are over 527,823 full time residents in the immediate area, with an average household income of over \$139,000 annually. The property provides excellent visibility and sits on the hard-signalized corner of Mount Vernon Avenue and East Monroe Avenue with traffic counts exceeding 13,000 daily.

Walgreens signed a 25 year Absolute NNN Lease with zero landlord responsibility and has over 20 years remaining on the initial term. A complete renovation of the historic building was required, proving exceptionally high barrier to entry and Walgreen's commitment to the site. This is a rare opportunity for an investor to acquire a fee-simple Walgreens in the DC Metro, as most stores in this region tend to be ground leases.

INVESTMENT HIGHLIGHTS

- Walgreens Corporate Guarantee (NYSE: WAG)
- Investment Grade Credit
- 3 Miles from New Amazon HQ2
- Absolute NNN – Zero Land Lord responsibility
- Dense Population – 527,823 Full Time Resident in Trade Area
- Affluent Demographic – Avg. HH Income \$139,000
- 20+ Years Remaining
- 5 Minute Drive from Ronald Reagan International Airport
- Conveniently Located Near D.C Metro Rail and Bus
- Close proximity to Historic and National Museums
- Short drive to Pentagon and Downtown Washington D.C
- Exceptionally High Barrier to Entry
- Fee Simple Ownership Allowing for Depreciation
- Signalized Intersection



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THE OFFERING

 **Walgreens**
1509 MOUNT VERNON AVENUE,
ALEXANDRIA, VIRGINIA, 22301



PROPERTY DETAILS

Lot Size	32,670 SF (0.75 Acres)
Rentable Square Feet	15,878 SF
Price/SF	\$986.69
Year Built/Renovated	2005

FINANCIAL OVERVIEW

List Price	\$15,666,666
Down Payment	100% / \$15,666,666
Cap Rate	4.50%
Type of Ownership	Fee Simple

PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
Current	\$58,750	\$705,000
Base Rent (\$44.40 /SF)		\$705,000
Net Operating Income		\$705,000.00
TOTAL ANNUAL RETURN	CAP 4.50%	\$705,000

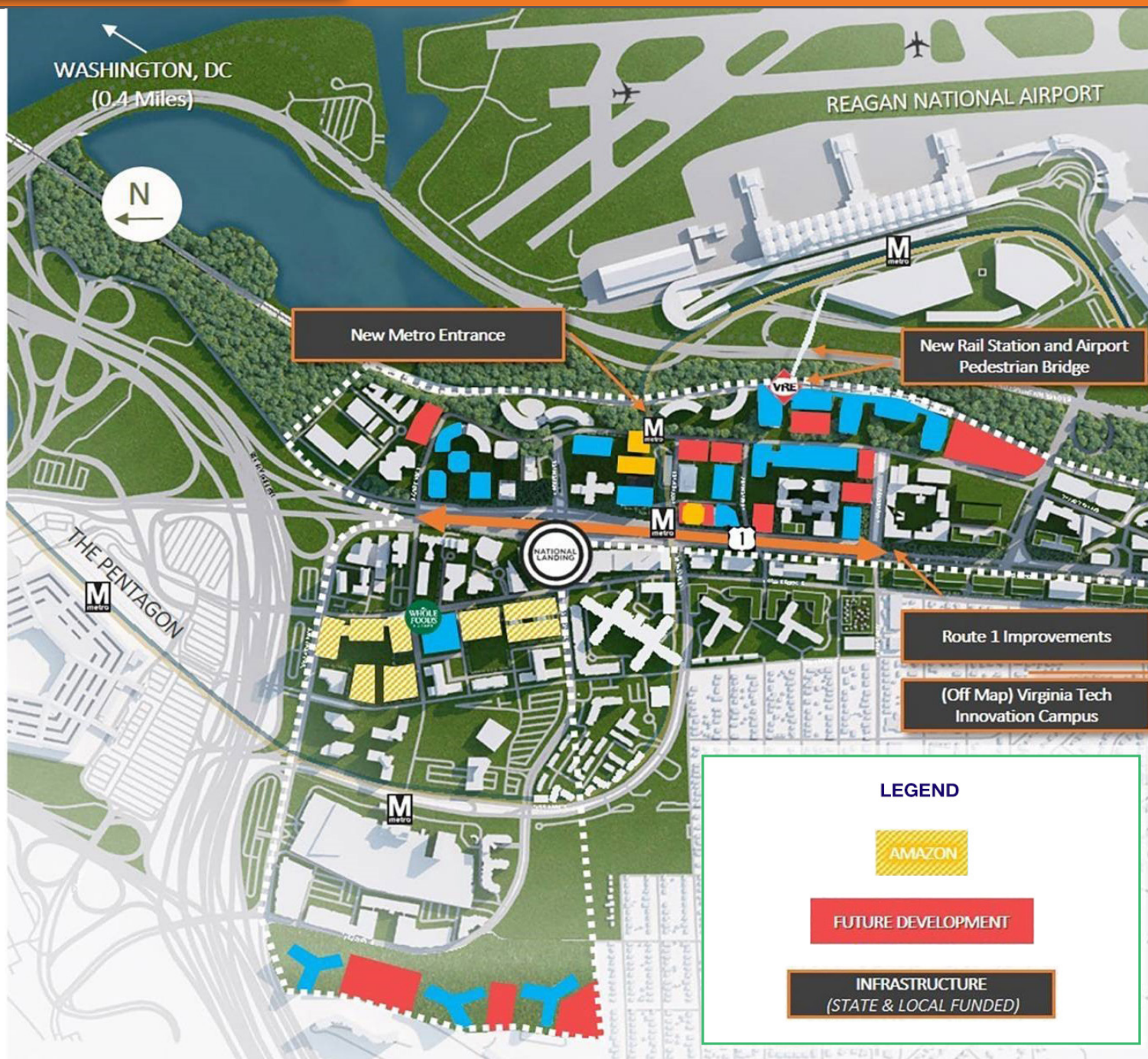
LEASE ABSTRACT

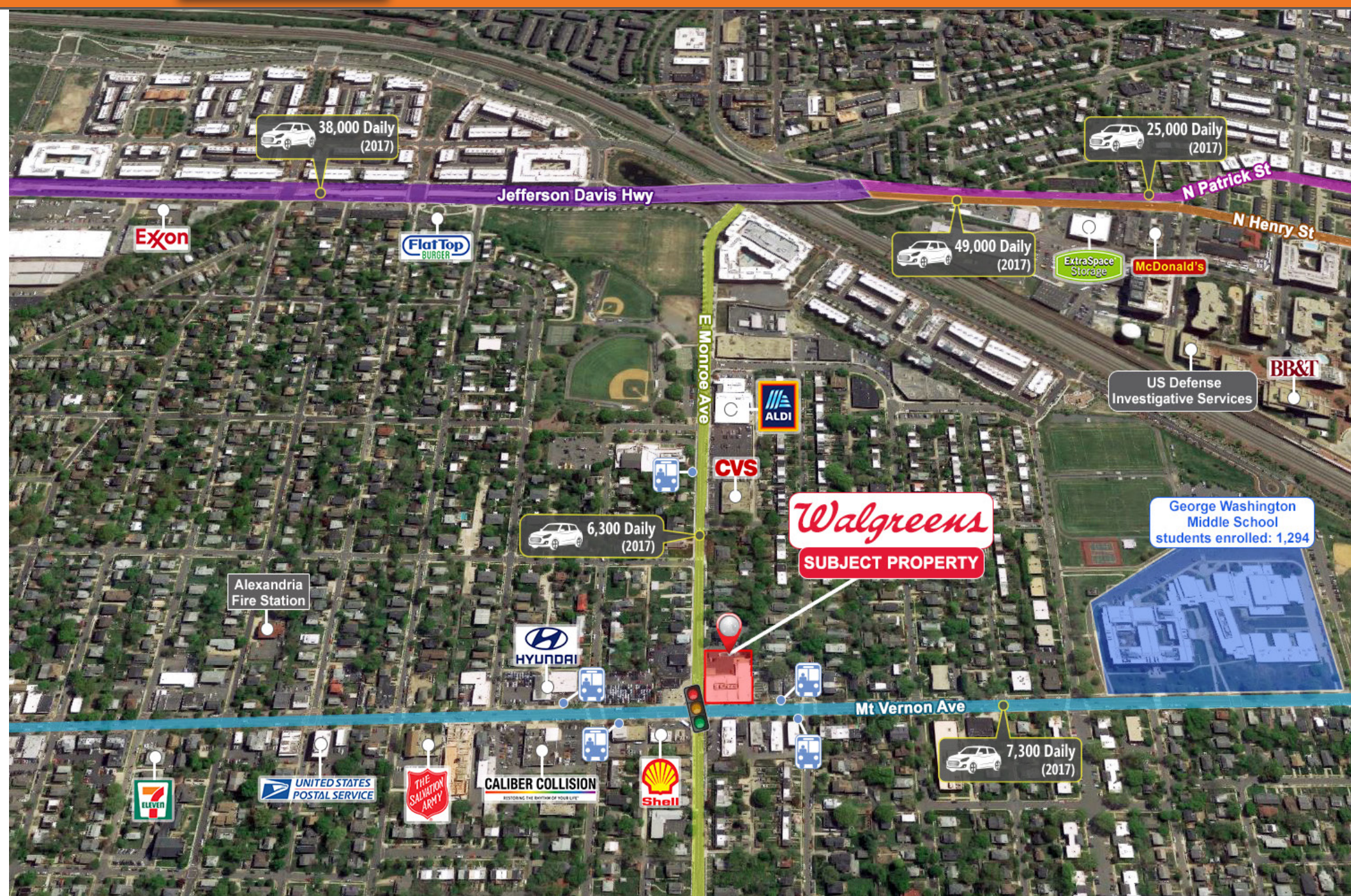
Tenant Trade Name	Walgreens
Tenant	Corporate Store
Ownership	Public
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Term	25 Years
Lease Commencement Date	05/01/2014
Rent Commencement Date	05/01/2014
Expiration Date of Base Term	04/30/2039
Increases	None
Options	Nine Five-Year Options
Term Remaining on Lease	20+ Years
Property Type	Net Leased Drug Store
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	Yes

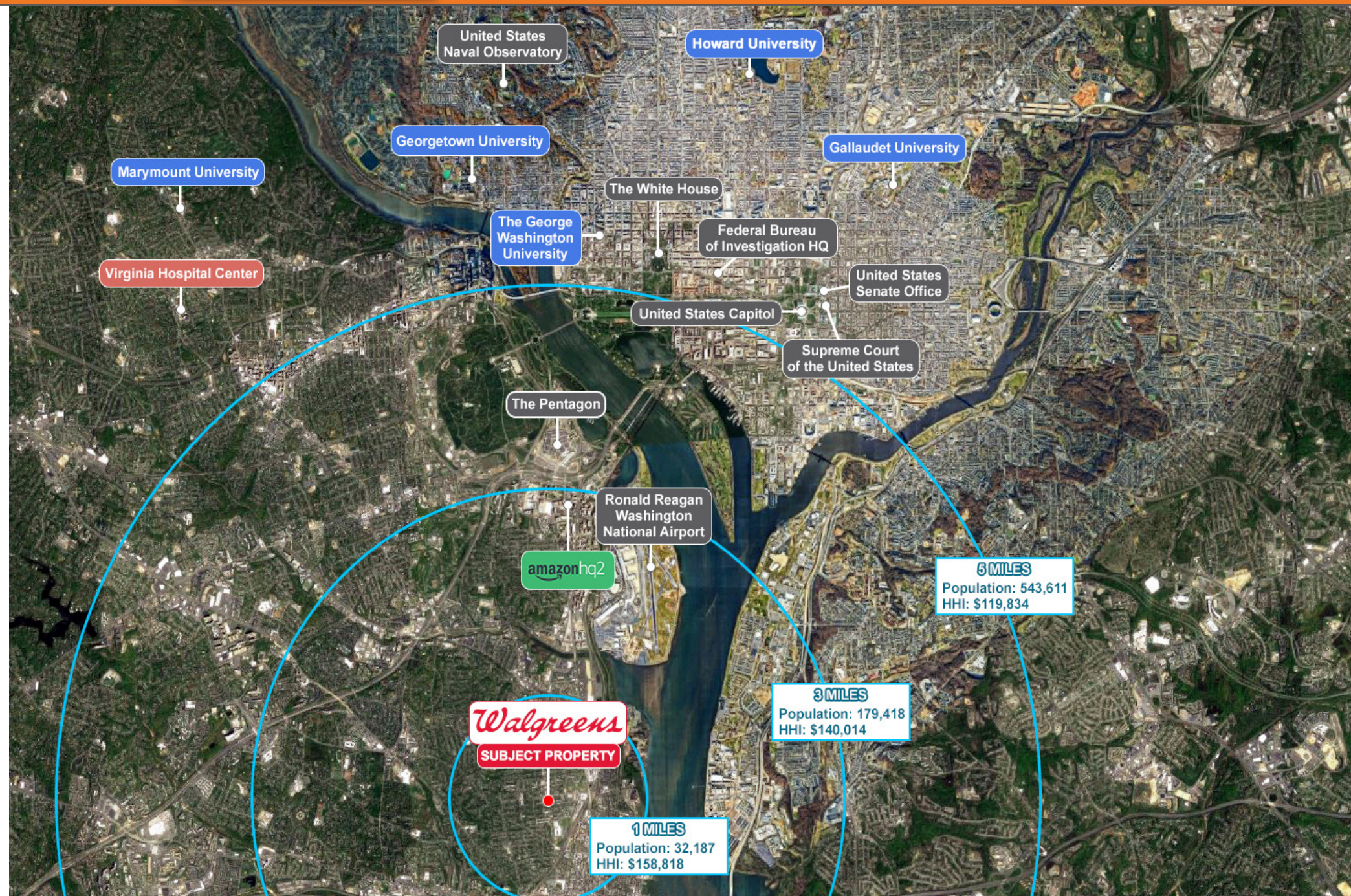

3 MILES AWAY















ABOUT Walgreens

The It would be impossible to tell the story of Walgreens drugstores without telling the story of Charles R Walgreen, Sr the man who started it all Walgreen's drugstore was located in Barrett's Hotel at Cottage Grove and Bowen Avenue on Chicago's South Side. By every account, Walgreen succeeded brilliantly, simply by practicing what he preached and instituting what he felt were clearly needed innovations New, bright lights were installed to create a cheerful, warm ambiance in the store Each customer was personally greeted by Walgreen or his colleague, Arthur C Thorsen Aisles were widened, creating a spacious, airy, welcoming feeling - a far cry from the cramped interiors of other drugstores Generations of customers and employees hold fond memories of trips to the Walgreens soda fountain and prescriptions filled by the friendly local pharmacist. Most of all, they remember Walgreens, a welcome, dependable presence in countless neighborhoods across the country for more than 100 years. It is the Historical Foundation's aim to build an understanding of early Walgreens store culture and to help educate the public about the role Walgreens played in the history of retail pharmacy. Walgreens is America's leading provider of the most convenient access to consumer goods and services, and pharmacy, health and wellness services Walgreens stores provide patients with all of their prescription needs in one place without sacrificing the safety, service or convenience of their nearby neighborhood drugstore.

Name	Walgreens
Ownership	Public
Stock Symbol	WBA
Sales Volume	<u>\$120.5 Billion (2017)</u>
Net Worth	<u>\$30.9 Billion</u>
Board	NYSE
Tenant	Corporate Store
HQ	Deerfield, IL
Number of Locations	8,175+
Web Site	www.walgreens.com

FOUNDED IN 1901

POPULATION

	1 Miles	3 Miles	5 Miles
2022 Projection	33,133	186,227	543,611
2017 Estimate	32,187	179,418	527,823
2010 Census	27,031	161,198	476,294
2000 Census	24,866	147,708	443,765

INCOME

Average	\$158,818	\$140,014	\$119,834
Median	\$113,790	\$101,390	\$84,411
Per Capita	\$74,862	\$69,272	\$54,210

HOUSEHOLDS

2022 Projection	15,726	94,022	251,433
2017 Estimate	15,128	88,466	237,987
2010 Census	12,559	79,297	214,179
2000 Census	11,662	70,131	192,651

HOUSING

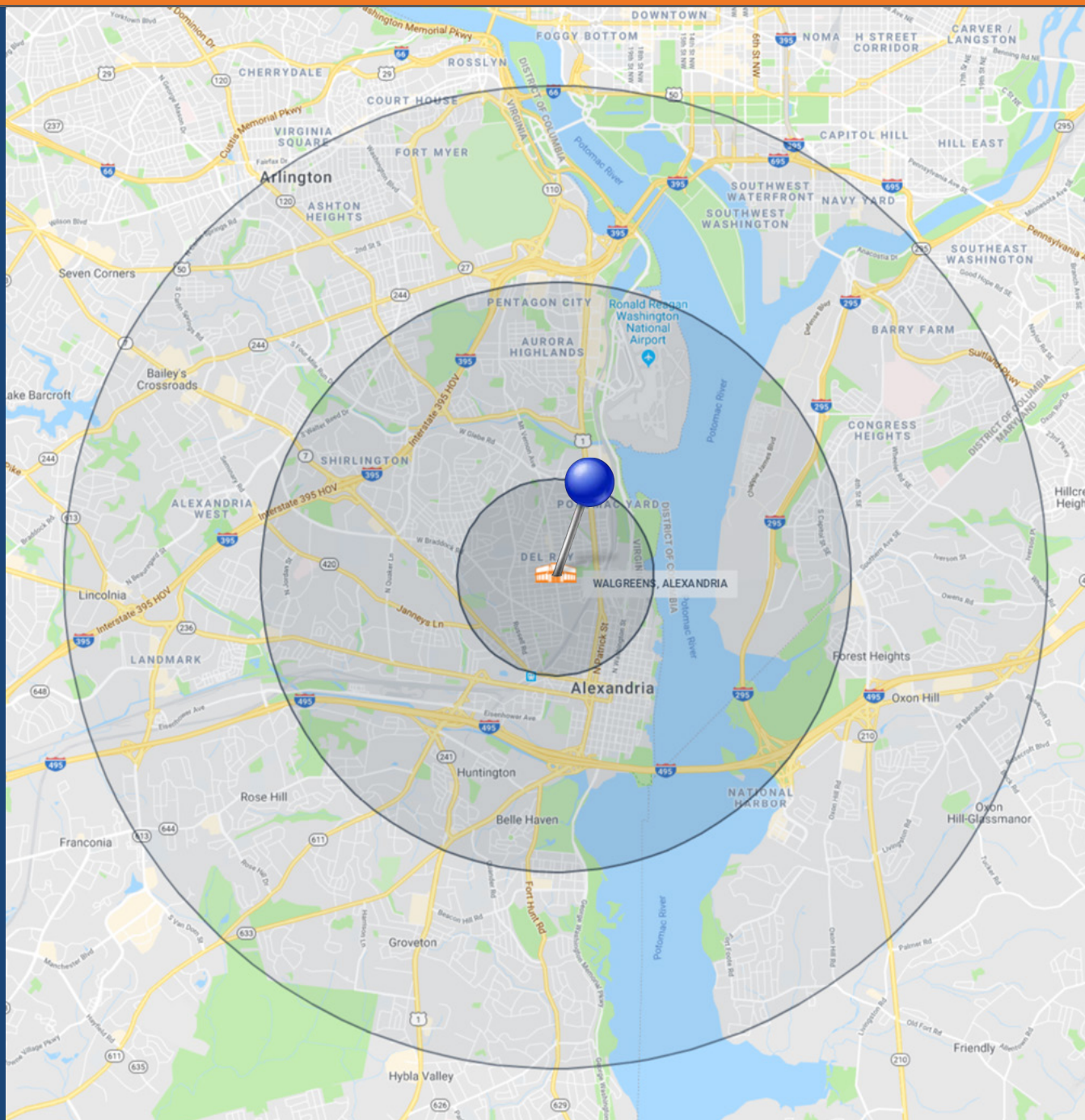
2017	\$632,545	\$536,518	\$450,749
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EMPLOYMENT

2017 Daytime Population	31,525	232,801	597,410
2017 Unemployment	3.21%	3.64%	4.67%
2017 Median Time Traveled	30	33	34

RACE & ETHNICITY

White	74.59%	63.28%	48.07%
Native American	0.06%	0.09%	0.09%
African American	14.58%	19.86%	31.96%
Asian/Pacific Islander	3.37%	6.68%	8.01%



GEOGRAPHY: 5 MILE



POPULATION

In 2017, the population in your selected geography is 527,823. The population has changed by 18.94% since 2000. It is estimated that the population in your area will be 543,611.00 five years from now, which represents a change of 2.99% from the current year. The current population is 48.63% male and 51.37% female. The median age of the population in your area is 35.12, compare this to the US average which is 37.83. The population density in your area is 6,712.28 people per square mile.



HOUSEHOLDS

There are currently 237,987 households in your selected geography. The number of households has changed by 23.53% since 2000. It is estimated that the number of households in your area will be 251,433 five years from now, which represents a change of 5.65% from the current year. The average household size in your area is 2.17 persons.



INCOME

In 2017, the median household income for your selected geography is \$84,411, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 60.95% since 2000. It is estimated that the median household income in your area will be \$100,086 five years from now, which represents a change of 18.57% from the current year.

The current year per capita income in your area is \$54,210, compare this to the US average, which is \$30,982. The current year average household income in your area is \$119,834, compare this to the US average which is \$81,217.



RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 48.07% White, 31.96% Black, 0.09% Native American and 8.01% Asian/Pacific Islander. Compare these to US averages which are: 70.42% White, 12.85% Black, 0.19% Native American and 5.53% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 17.43% of the current year population in your selected area. Compare this to the US average of 17.88%.



HOUSING

The median housing value in your area was \$450,749 in 2017, compare this to the US average of \$193,953. In 2000, there were 77,632 owner occupied housing units in your area and there were 115,019 renter occupied housing units in your area. The median rent at the time was \$784.



EMPLOYMENT

In 2017, there are 487,635 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 72.94% of employees are employed in white-collar occupations in this geography, and 27.06% are employed in blue-collar occupations. In 2017, unemployment in this area is 4.67%. In 2000, the average time traveled to work was 34.00 minutes.

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