



THE JONNA GROUP
MARCUS & MILLICHAP

WALGREENS

2985 Crooks Rd • Rochester Hills, MI 48309

Absolute NNN

12+ Years

Attractive Assumable Loan
4.58% Interest Rate

Strong Store Sales

\$117k+ AHI



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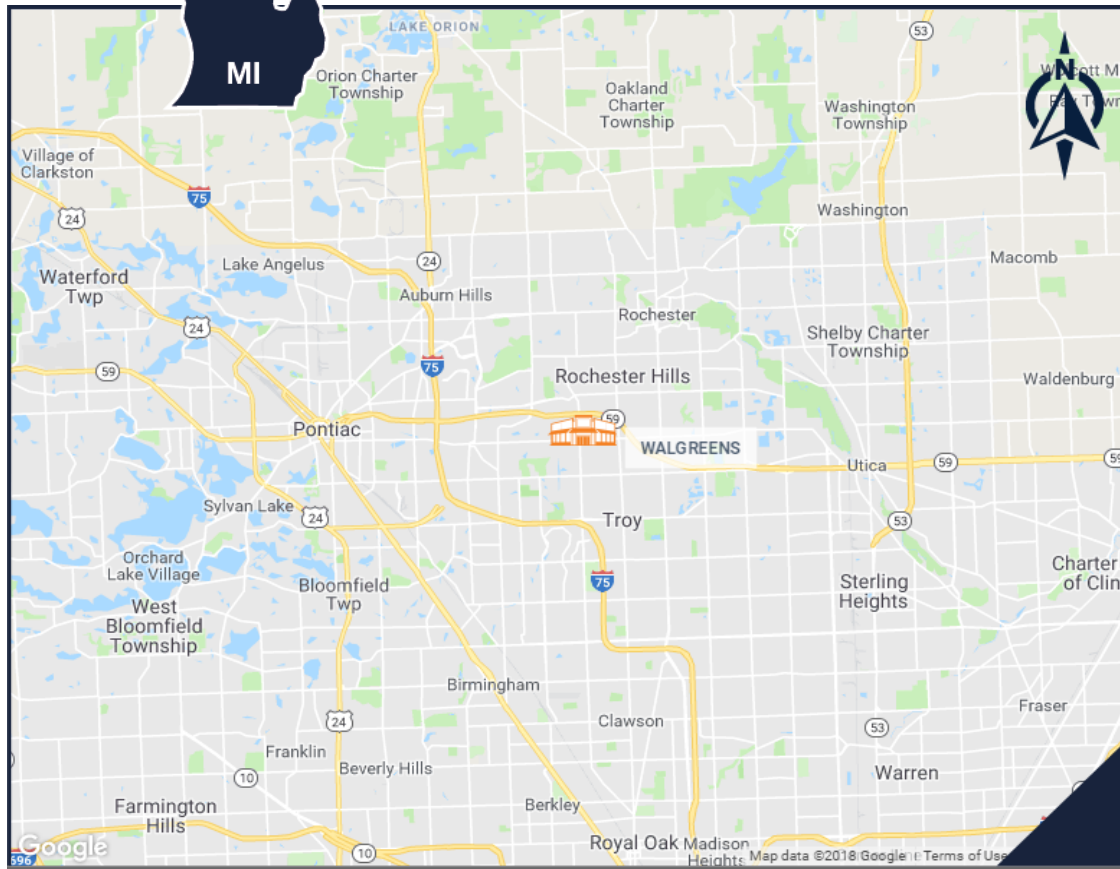
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WALGREENS
Rochester Hills, MI
ACT ID Z0290515

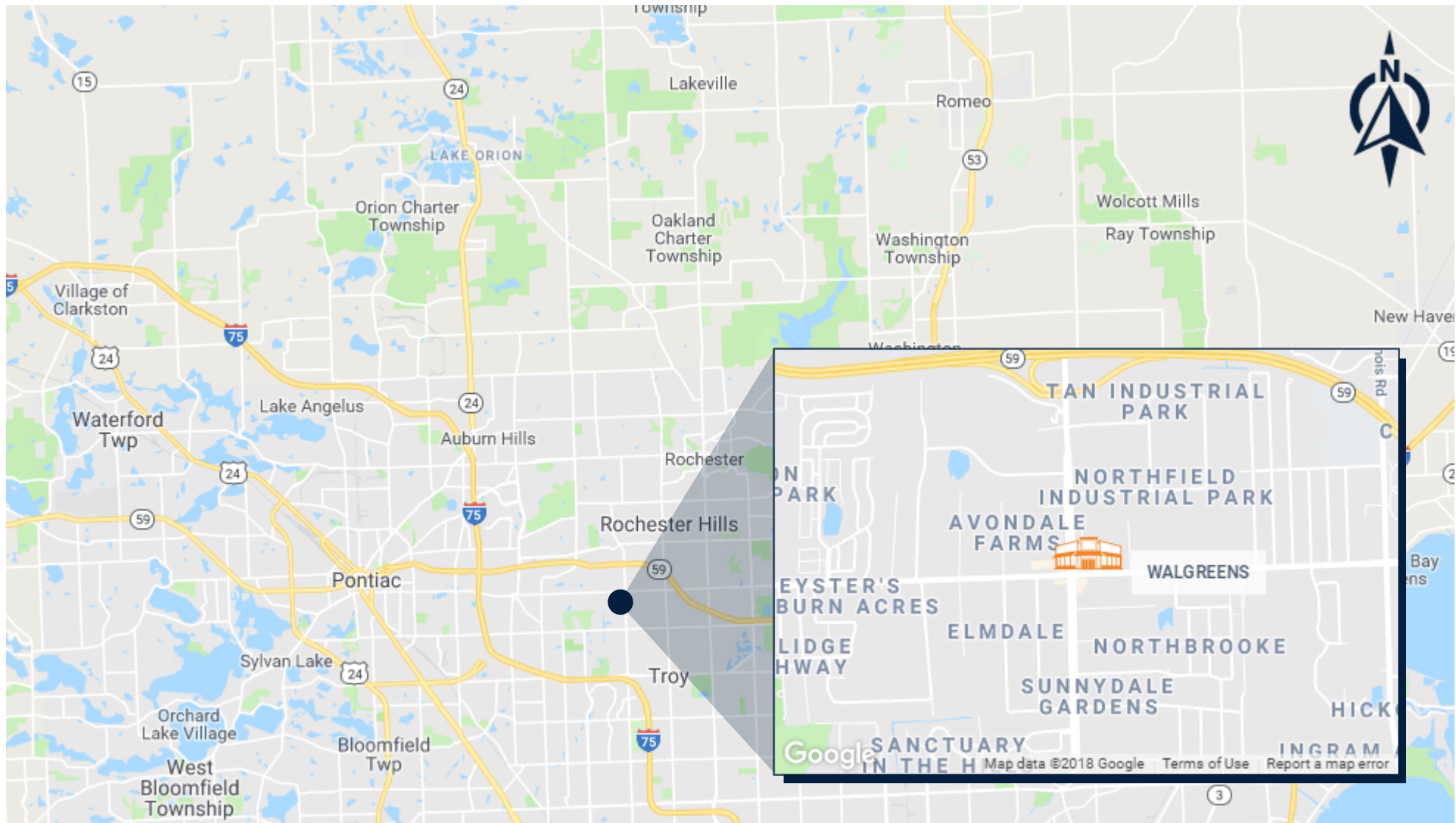
Marcus & Millichap



2985 Crooks Rd, Rochester Hills, MI 48309



2985 Crooks Rd, Rochester Hills, MI 48309



Medical Office A

Medical Office B

Subject Site
Walgreens

Davita

GENISYS tropical
CREDIT UNION SMOOTHIE
State Farm CAFE
Little Caesars
Quiznos
Gloria Jean's COFFEES

JET'S PIZZA
CK Digg's Restaurant & Bar
SUBWAY



EXECUTIVE SUMMARY

OFFERING SUMMARY

Price	\$5,896,000
Net Operating Income	\$339,000
Capitalization Rate – Current	5.75%
Price / SF	\$397.71
Rent / SF	\$22.87
Lease Type	Absolute Net
Gross Leasable Area	14,825 SF
Year Built / Renovated	2005
Lot Size	2.09 acre(s)
Type of Ownership	Fee-Simple (Condo)

FINANCING

Loan Amount	\$4,063,500
Loan Type	Financed - Assumable Loan
Loan to Value	68.25%
Down Payment	31.75% / \$1,872,000
Interest Rate / Amortization	4.58%
Amortization	30 Years
Origination Date	6/2015
Due Date	7/2025
Loan Constant	6.14
Annual Loan Payment	\$262,926
Year 1 Debt Service Coverage	1.29
Year 1 Debt Yield	7.91%
Year 1 Net Cash Flow After Debt Service	\$76,074
Cash on Cash Return	4.06%

MAJOR EMPLOYERS

EMPLOYER	# OF EMPLOYEES *
General Motors	12,508
FCA US LLC	10,000
Willan Inc	9,956
Dph-Das LLC	9,500
GKN North America Inc	5,580
Electronics and Safety Div	4,000
Employees Only Inc	3,500
Nexteer	3,500
Health Care Benefits Plan	3,342
Lj/Hah Holdings Corporation	3,168
Delphi	2,793
Continental Auto Systems Inc	2,649

DEMOGRAPHICS

	1-Miles	3-Miles	5-Miles
2017 Estimate Pop	5,937	59,216	178,042
2010 Census Pop	5,552	56,686	171,237
2017 Estimate HH	2,424	23,300	69,702
2010 Census HH	2,261	22,228	66,783
Median HH Income	\$75,131	\$86,069	\$85,354
Per Capita Income	\$41,255	\$46,863	\$46,158
Average HH Income	\$100,597	\$117,783	\$117,281

* # of Employees based on 5 mile radius

INVESTMENT OVERVIEW

OFFERING SUMMARY

The Jonna Group of Marcus & Millichap is pleased to present the exclusive listing for a fee simple Absolute NNN Walgreens Pharmacy located in Rochester Hills, Michigan. Walgreens has approximately 12 years remaining on the initial 25-year term that includes preferred (10) 5-year options. The subject property benefits from being on a hard signalized corner, in a prime retail trade zone in one of the most affluent and sought-after locales in the state. The lease is guaranteed by Walgreen Corporation, now a subsidiary of Walgreens Boots Alliance, Inc. Walgreens Boots Alliance, Inc. is investment grade, rated “BBB” by Standard & Poor’s.

The Walgreens asset is strategically located and well positioned on the consistently busy corner of Auburn Road and Crooks Road that sees over 53,000 vehicles traveling per day. The subject property is located within a dense residential area of Rochester that consists of over 69,000 households in a 5-mile radius, an increase of nearly 10% since 2000. The area is heavily populated and consists of over 178,000 people in a 5-mile radius. The pad, an oversized 2.4-acres, is ideal and larger than typical drug store parcels. Retailers in the immediate vicinity include: Walmart Supercenter, Lowe’s, Meijer, TJ Maxx, Target, Chipotle, Olive Garden, McDonald’s, Burger King, Panera Bread and many more.

Rochester Hills is located in Oakland County, Michigan, one of the 10 highest income counties in the United States with populations of over one million people. Rochester Hills is located in the northern outskirts of Metro Detroit and is known for its active downtown, high-end shopping and dining, rolling hills and large homes. The populace is well-educated and interested in community affairs. Rochester Hills is a zoned community and has a Master Land Use Plan, which has been implemented for its orderly development. A wide variety of industries, such as computer technology, electronic research, development and manufacturing, plastic injection molding, tool and die, precision machine tool fabrication, structural engineering, warehousing and distribution have chosen Rochester Hills as their corporate headquarters.

INVESTMENT HIGHLIGHTS

- Absolute NNN | 12 Years Remaining | Strong Store Sales
- Attractive Assumable Loan | 4.58% Interest Rate | Well Below Current Rates
- Superb Demographics | Over 178,000 People in 5-Miles | 69,000 Households in 5-Miles | 10% Increase Since 2000
- Affluent Area | Average Household Income Over \$117,000 in 5-Mile Radius
- High Traffic Counts | Over 53,000 Vehicles Per Day at Intersection
- No Landlord Responsibilities | (6) 5-Year Options
- Situated on Oversized 2.09 Acres | Ideally Located Within Medical Office Complexes
- Hard Signalized Corner | Two Modes of Ingress/Egress
- Convenient Access to M-59 | Over 179,000 Vehicles Traveling Per Day
- Retailers in the Immediate Vicinity Include: Walmart Supercenter, Lowe’s, Meijer, TJ Maxx, Target, Chipotle, Olive Garden, McDonald’s, Burger King, Panera Bread and Many More.

PROPERTY SUMMARY

THE OFFERING	
Property	Walgreens
Property Address	2985 Crooks Rd Rochester Hills, MI 48309
Price	\$5,896,000
Capitalization Rate	5.75%
Price/SF	\$397.71

PROPERTY DESCRIPTION	
Year Built / Renovated	2005
Gross Leasable Area	14,825 SF
Zoning	Commercial
Type of Ownership	Fee Simple (Condo)
Lot Size	2.09 Acres

LEASE SUMMARY	
Property Subtype	Net Leased Drug Store
Tenant	Walgreens
Guarantor	Corporate Guarantee
Lease Type	Absolute Net
Lease Commencement	7/14/2005
Lease Expiration	7/13/2030
Lease Term	25
Term Remaining on Lease (Years)	12
Renewal Options	(10) 5-Year Options
Landlord Responsibility	None
Tenant Responsibility	Absolute NNN
Right of First Refusal/Offer	N/A

ANNUALIZED OPERATING INFORMATION	
INCOME	
Net Operating Income	\$339,000

RENT SCHEDULE				
YEAR	ANNUAL RENT	MONTHLY RENT	RENT/SF	CAP RATE
Current	\$339,000	\$28,250	\$22.87	5.75%











DETROIT OVERVIEW

The Detroit metro is located in the southeastern portion of Michigan along the Detroit River, which connects Lake St. Clair and Lake Erie. Across the Detroit River lies the city of Windsor, Ontario, which provides access to the Canadian market. The metro is a nearly 4,000-square-mile region composed of six counties: Wayne, Macomb, Lapeer, Oakland, St. Clair and Livingston. More than 4.3 million residents reside in the area and after years of declining population, the metro is adding residents again as employers and development expand. Wayne is the most populated county, followed by Oakland County. Detroit is the largest city with nearly 700,000 residents.

METRO HIGHLIGHTS



EMPLOYMENT GROWTH

Job creation will remain strong, building on the 178,300 jobs added in the past five years. The largest gains are expected in construction and office-using sectors.



AUTO DESIGN AND MANUFACTURING

The metro is home to the Big Three as well as two-thirds of the world's automotive research and development firms.



DIVERSIFYING ECONOMY

Increased entrepreneurial activity has created a knowledge-based economy, diversifying beyond manufacturing and the auto industry.



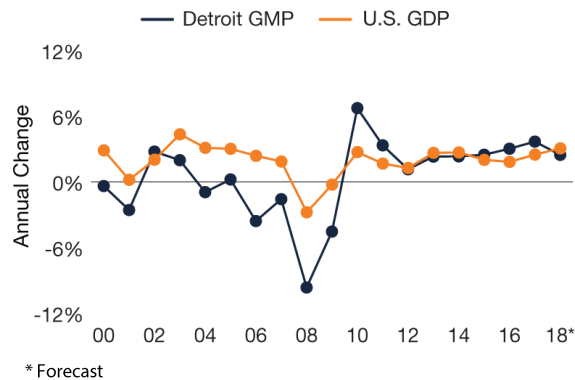
ECONOMY

- Multiple Fortune 500 corporations are based in the metro, many of which are in the auto industry, such as General Motors Corp., Ford Motor Co. and FCA US LLC. Other companies include Autoliv, BorgWarner, DTE Energy, Ally Financial and Kelly Services.
- A growing knowledge-based economy is supplementing the manufacturing and automotive industries. The New Economy Initiative for Southeast Michigan provides support and networking for entrepreneurial activity.
- The economy is diversifying into the healthcare and technology sectors, attracting companies to the area. Tech companies work alongside the auto industry.

MAJOR AREA EMPLOYERS

General Motors Corp.
Rock Ventures
FCA US LLC
DTE Energy
Beaumont Health
Henry Ford Health System
St. John Providence Health System
Ford Motor Co.
Detroit Medical Center
Wayne State University

Economic Growth



MARKET OVERVIEW



SHARE OF 2017 TOTAL EMPLOYMENT





DEMOGRAPHICS

- The metro is expected to add nearly 50,600 people through 2022, resulting in the formation of roughly 37,600 households and generating demand for housing.
- Relatively affordable home prices produce a homeownership rate of 69 percent, which is above the national rate of 64 percent.
- Almost 29 percent of residents age 25 and older are bachelor's degree holders and 11 percent also have earned a graduate or professional degree.

2017 Population by Age



QUALITY OF LIFE

The Detroit region, birthplace of Motown and the mass-production automobile industry, offers all the benefits of living close to the Great Lakes but at a moderate cost. Revitalization has included sports facilities such as Comerica Park for the Tigers, Ford Field for the Lions, and a new hockey arena for the Red Wings. Additionally, new entertainment and retail venues are reshaping downtown Detroit. For culture buffs, the region is home of the Detroit Institute of Arts, the Detroit Historical Museum and the Michigan Science Center. Meanwhile, several universities and colleges are located nearby, including the University of Michigan, Wayne State University, University of Detroit Mercy and Lewis College of Business.

* Forecast

Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau



SPORTS



EDUCATION



ARTS & ENTERTAINMENT



Created on July 2018

POPULATION	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Population	6,319	61,252	183,001
■ 2017 Estimate			
Total Population	5,937	59,216	178,042
■ 2010 Census			
Total Population	5,552	56,686	171,237
■ 2000 Census			
Total Population	5,045	54,547	167,978
■ Current Daytime Population			
2017 Estimate	10,863	67,037	236,793
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
■ 2022 Projection			
Total Households	2,583	24,233	72,305
■ 2017 Estimate			
Total Households	2,424	23,300	69,702
Average (Mean) Household Size	2.43	2.49	2.52
■ 2010 Census			
Total Households	2,261	22,228	66,783
■ 2000 Census			
Total Households	2,092	21,003	63,402
■ Occupied Units			
2022 Projection	2,583	24,233	72,305
2017 Estimate	2,544	24,334	73,119
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
■ 2017 Estimate			
\$150,000 or More	17.91%	22.54%	22.16%
\$100,000 - \$149,000	15.89%	19.47%	20.02%
\$75,000 - \$99,999	16.28%	14.97%	13.78%
\$50,000 - \$74,999	14.46%	15.44%	14.90%
\$35,000 - \$49,999	12.18%	9.46%	9.38%
Under \$35,000	23.29%	18.10%	19.78%
Average Household Income	\$100,597	\$117,783	\$117,281
Median Household Income	\$75,131	\$86,069	\$85,354
Per Capita Income	\$41,255	\$46,863	\$46,158

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$75,520	\$79,918	\$78,818
■ Consumer Expenditure Top 10 Categories			
Housing	\$18,228	\$19,373	\$19,076
Transportation	\$15,666	\$17,324	\$17,370
Shelter	\$10,033	\$10,640	\$10,486
Food	\$8,457	\$8,869	\$8,779
Personal Insurance and Pensions	\$6,823	\$7,475	\$7,397
Health Care	\$4,703	\$5,089	\$4,969
Utilities	\$4,265	\$4,504	\$4,440
Entertainment	\$3,865	\$4,118	\$4,089
Apparel	\$1,987	\$2,061	\$2,028
Household Furnishings and Equipment	\$1,865	\$2,031	\$2,017
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
■ Population By Age			
2017 Estimate Total Population	5,937	59,216	178,042
Under 20	21.83%	23.23%	23.99%
20 to 34 Years	18.34%	17.60%	18.29%
35 to 39 Years	6.47%	5.72%	5.54%
40 to 49 Years	13.90%	13.03%	13.03%
50 to 64 Years	22.38%	22.84%	22.47%
Age 65+	17.07%	17.58%	16.67%
Median Age	42.59	42.81	41.81
■ Population 25+ by Education Level			
2017 Estimate Population Age 25+	4,313	41,792	123,533
Elementary (0-8)	0.61%	1.07%	1.26%
Some High School (9-11)	5.60%	3.05%	3.54%
High School Graduate (12)	22.32%	16.39%	16.16%
Some College (13-15)	22.87%	19.40%	19.43%
Associate Degree Only	8.49%	8.22%	7.71%
Bachelors Degree Only	24.14%	27.16%	27.12%
Graduate Degree	15.17%	23.95%	24.20%

Source: © 2017 Experian



Population

In 2017, the population in your selected geography is 178,042. The population has changed by 5.99% since 2000. It is estimated that the population in your area will be 183,001.00 five years from now, which represents a change of 2.79% from the current year. The current population is 48.62% male and 51.38% female. The median age of the population in your area is 41.81, compare this to the US average which is 37.83. The population density in your area is 2,262.15 people per square mile.



Households

There are currently 69,702 households in your selected geography. The number of households has changed by 9.94% since 2000. It is estimated that the number of households in your area will be 72,305 five years from now, which represents a change of 3.73% from the current year. The average household size in your area is 2.52 persons.



Income

In 2017, the median household income for your selected geography is \$85,354, compare this to the US average which is currently \$56,286. The median household income for your area has changed by 16.90% since 2000. It is estimated that the median household income in your area will be \$100,947 five years from now, which represents a change of 18.27% from the current year.

The current year per capita income in your area is \$46,158, compare this to the US average, which is \$30,982. The current year average household income in your area is \$117,281, 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: 72.59% White, 8.94% Black, 0.02% Native American and 14.74% 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 3.83% 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 \$247,477 in 2017, compare this to the US average of \$193,953. In 2000, there were 49,229 owner occupied housing units in your area and there were 14,174 renter occupied housing units in your area. The median rent at the time was \$682.



Employment

In 2017, there are 156,219 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 77.42% of employees are employed in white-collar occupations in this geography, and 22.37% are employed in blue-collar occupations. In 2017, unemployment in this area is 4.11%. In 2000, the average time traveled to work was 27.00 minutes.



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