



Offering Memorandum

WALGREENS
15253 MANCHESTER ROAD
BALLWIN (ST. LOUIS), MO 63011

Marcus & Millichap

DOWNTOWN ST. LOUIS



MANCHESTER RD
39,260 CPD



Westview
at Ellisville
ASSISTED LIVING

Shop'n Save
MATTRESS FIRM
NAPA AUTO CARE CENTER

ihop

Schnucks
Once upon a child
BUFFALO WILD WINGS
PIZZA HUT

JOANN
five BELOW
buybuy
BABY

PET SUPPLIES PLUS
Minus the hassle.

ROSS STORES, INC. avenue

Walgreens

TACO BELL

Advance Auto Parts
PIZZA PAPA JOHN'S
EAST COAST SUBS

MANCHESTER RD
39,260 CPD

WALGREENS

15253 Manchester Road
Ballwin (St. Louis), MO 63011

FINANCIAL SUMMARY

| | |
|---------------|------------------|
| Price | \$9,216,000 |
| Down Payment | 100% \$9,216,000 |
| Cap Rate | 6.0% |
| Building SF | 14,490 SF |
| Net Cash Flow | 6.0% \$553,500 |
| Year Built | 2007 |
| Lot Size | 1.57 Acres |

LEASE SUMMARY

| | |
|------------------------|--|
| Lease Type | Absolute Triple-Net (NNN) Lease |
| Tenant | Walgreen Co. |
| Roof & Structure | Tenant Responsible |
| Rent Commencement Date | September 10, 2007 |
| Lease Expiration Date | September 30, 2032 |
| Lease Term Remaining | 14 Years |
| Original Lease Term | 25 Years |
| Rental Increases | None |
| Renewal Options | 10, 5 Year Options |
| Option to Terminate | Tenant's Option Every 5 Years After Initial 25 Year Term |
| Right of First Refusal | 10 Days |

| | |
|----------------------|------------------|
| BASE RENT | \$553,000 |
| Net Operating Income | \$553,000 |
| Total Return | 6.0% \$553,000 |





Walgreens

Walgreens is an American pharmaceutical company which operates the largest drug retailing chain in the United States of America. It specializes in serving prescriptions, health & wellness products, health information and photo services. As of February 29, 2016, the company operated 8,177 stores in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. It was founded in Chicago, Illinois, in 1901. The Walgreens headquarters office is in the Chicago suburb of Deerfield, Illinois.

Walgreens Boots Alliance is the first global pharmacy-led, health and wellbeing enterprise. Their goal is to help people across the world lead healthier and happier lives. Walgreens Boots Alliance was created through the combination of Walgreens and Alliance Boots in December 2014. This transaction brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted healthcare services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

The Company, together with its equity method investments, has a presence in more than 25 countries, employs more than 370,000 people and is the largest retail pharmacy, health and daily living destination in the USA and Europe, and is:

- A global leader in pharmacy-led, health and wellbeing retail with over 13,100 stores in 11 countries.
- One of the largest global pharmaceutical wholesale and distribution networks with over 350 distribution centers delivering to more than 200,000 pharmacies, doctors, health centers and hospitals each year in 19 countries.
- One of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

WWW.WALGREENS.COM

INVESTMENT HIGHLIGHTS

- Absolute Triple-Net (NNN) Lease with Walgreens Corporation - Investment Grade Tenant
- 14 Years Remaining on Lease Term
- St. Louis MSA - 160,683 Residents in Growing Trade Area
- Average Household Income Exceeds \$131K in 5-Mile Radius
- Excellent Visibility - 39,260+ Cars per Day Along Manchester Road
- Close Proximity to Major Retailers, Including Target, JOANN Fabric & Crafts, Ross, Lowes, Marshalls, and Big Lots
- Minutes from Interstate 64 (135,540+ Cars per Day)
- 161,334 Daytime Employees in Surrounding Area

DEMOGRAPHICS

| Population | 1-Mile | 3-Miles | 5-Miles |
|------------------------------------|----------|-----------|-----------|
| 2022 Projection | 10,653 | 79,022 | 164,452 |
| 2017 Estimate | 10,434 | 78,076 | 160,683 |
| Growth 2017 - 2022 | 2.09% | 1.21% | 2.35% |
| Households | 1-Mile | 3-Miles | 5-Miles |
| 2022 Projections | 4,418 | 30,372 | 64,536 |
| 2017 Estimate | 4,308 | 29,657 | 62,315 |
| Growth 2017 - 2022 | 2.54% | 2.41% | 3.56% |
| Income | 1-Mile | 3-Miles | 5-Miles |
| 2017 Est. Average Household Income | \$93,340 | \$125,432 | \$131,855 |
| 2017 Est. Median Household Income | \$69,067 | \$92,773 | \$94,630 |
| 2017 Est. Per Capita Income | \$38,563 | \$47,745 | \$51,324 |

LOCATION OVERVIEW

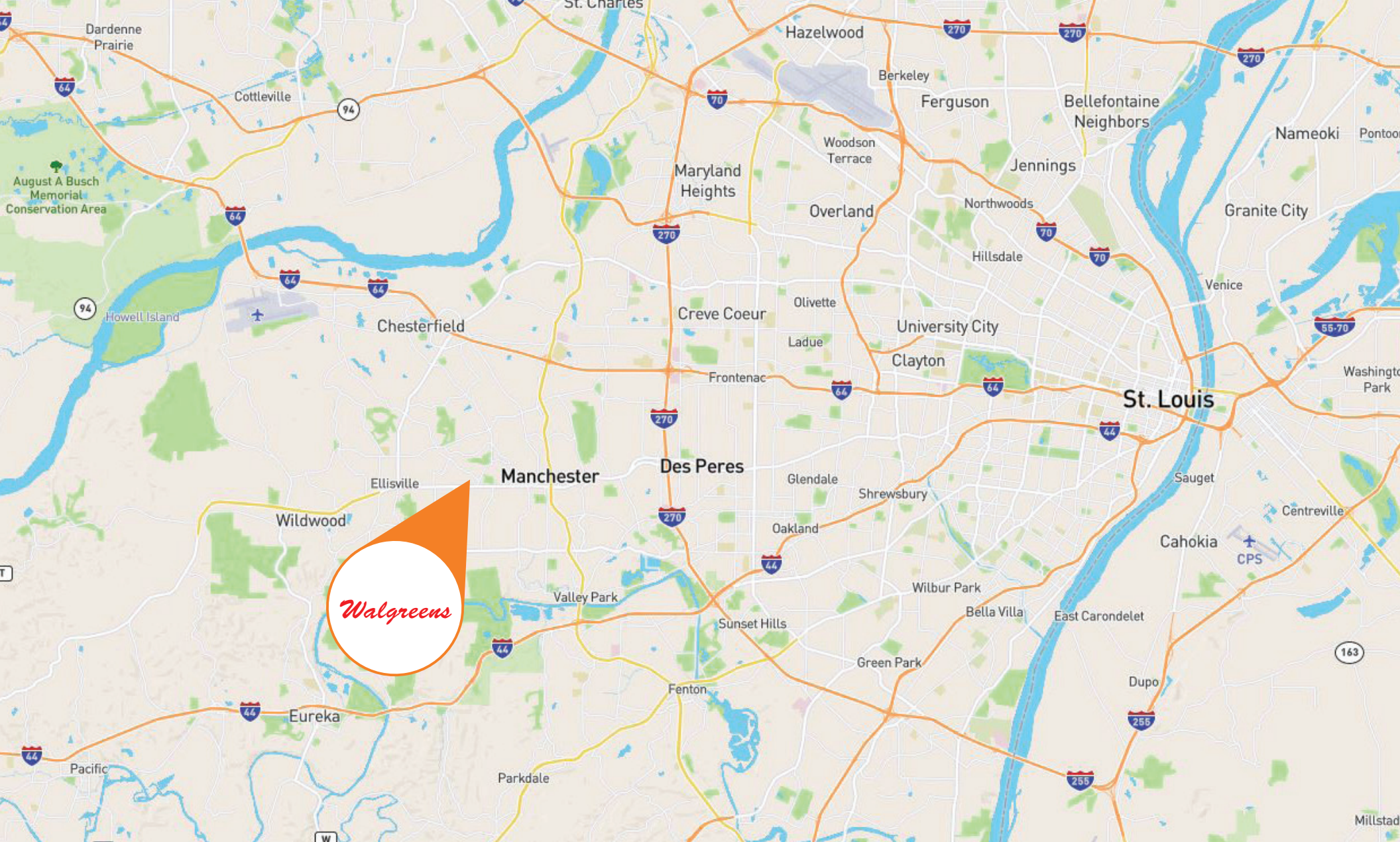
Ballwin is a middle-class suburb located just west of St. Louis. Its convenient location puts it within 30 minutes from five major universities and colleges, St. Louis-Lambert International Airport, and downtown St. Louis. The town has grown tremendously since its founding in the 1830's. At that point, only a few homes and business were located in the town. This number grew to 750 residents in 1950 when the town became an incorporated city of Missouri. Today, over 32,000 people call this thriving city their home.

Known for the iconic Gateway Arch, St. Louis is a major U.S. port, located along the western bank of the Mississippi River. It is the cultural and economic center of the Greater St. Louis Metropolitan area and is the largest metropolitan area in Missouri. The area's economy relies on service, manufacturing, trade, transportation of goods, and tourism. Its metro area is home to major corporations, including Anheuser-Busch, Boeing Defense, Energizer, Panera, Enterprise, Edward Jones, and Purina. The city is also gaining recognition for its growing medical, pharmaceutical and research presence.

Several institutions of higher education are in the metropolitan area. St. Louis University and The University of Missouri - St. Louis are the area's major universities. Other schools include Lindenwood University, Harris-Stowe State College, Maryville University of St. Louis, Webster University, Fontbonne University, and St. Louis Community College.







8 MILES
Mercy Hospital
St. Louis

10 MILES
St. Louis
Premium Outlets

21 MILES
St. Louis Lambert
International Airport

22 MILES
Downtown
St. Louis

Net Leased Disclaimer

Marcus & Millichap hereby advises all prospective purchasers of Net Leased property as follows:

By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs.

Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Investment Services as well as the Property Owner and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase

Confidentiality Agreement

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This offering memorandum has been prepared to provide summary, unverified financial and physical information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap has not made any investigation, and makes no warranty or representation with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with local, state and federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this offering memorandum has been obtained from sources we believe to be reliable; however, Marcus & Millichap has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these matters and makes no warranty or representation whatsoever regarding the accuracy or completeness of the information provided. All potential buyers must take appropriate measures to verify all of the information set forth herein. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.

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