



Offering Memorandum

WALGREENS
Lexington, KY

Marcus & Millichap

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





Exclusively listed by:

Marcus & Millichap

OFFICES NATIONWIDE
www.marcusmillichap.com

Investment Sales:

JJ Taughinbaugh

First Vice President Investments
PALO ALTO

Tel: (650) 391-1807

Fax: (650) 391-1710

jj.taughinbaugh@marcusmillichap.com

License: CA 01413305

Yuri Sergunin, CCIM

Senior Investment Associate
PALO ALTO

Tel: (650) 391-1764

Fax: (650) 391-1710

yuri.sergunin@marcusmillichap.com

License: CA 01908322

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EXECUTIVE SUMMARY



Marcus & Millichap

Offering Highlights

WALGREENS

254 EAST NEW CIRCLE ROAD, LEXINGTON, KY 40505

Property Details

Price	\$4,500,000
Rentable Square Feet	15,120 SF
Price/SF	\$298
Net Operating Income	\$394,585
Annual Rent (Billboard)	\$10,130
CAP Rate	8.75%
Lease Type	NN
CAM	Tenant Responsibility
Real Estate Taxes	Tenant Responsibility
Insurance	Tenant Responsibility
Repairs & Maintenance	Tenant Responsibility
Roof & Structure	Landlord Responsibility
Year Built	2000
Lot Size	95,396 (2.19 Acres)
First Right of Refusal	Yes

Tenant Summary

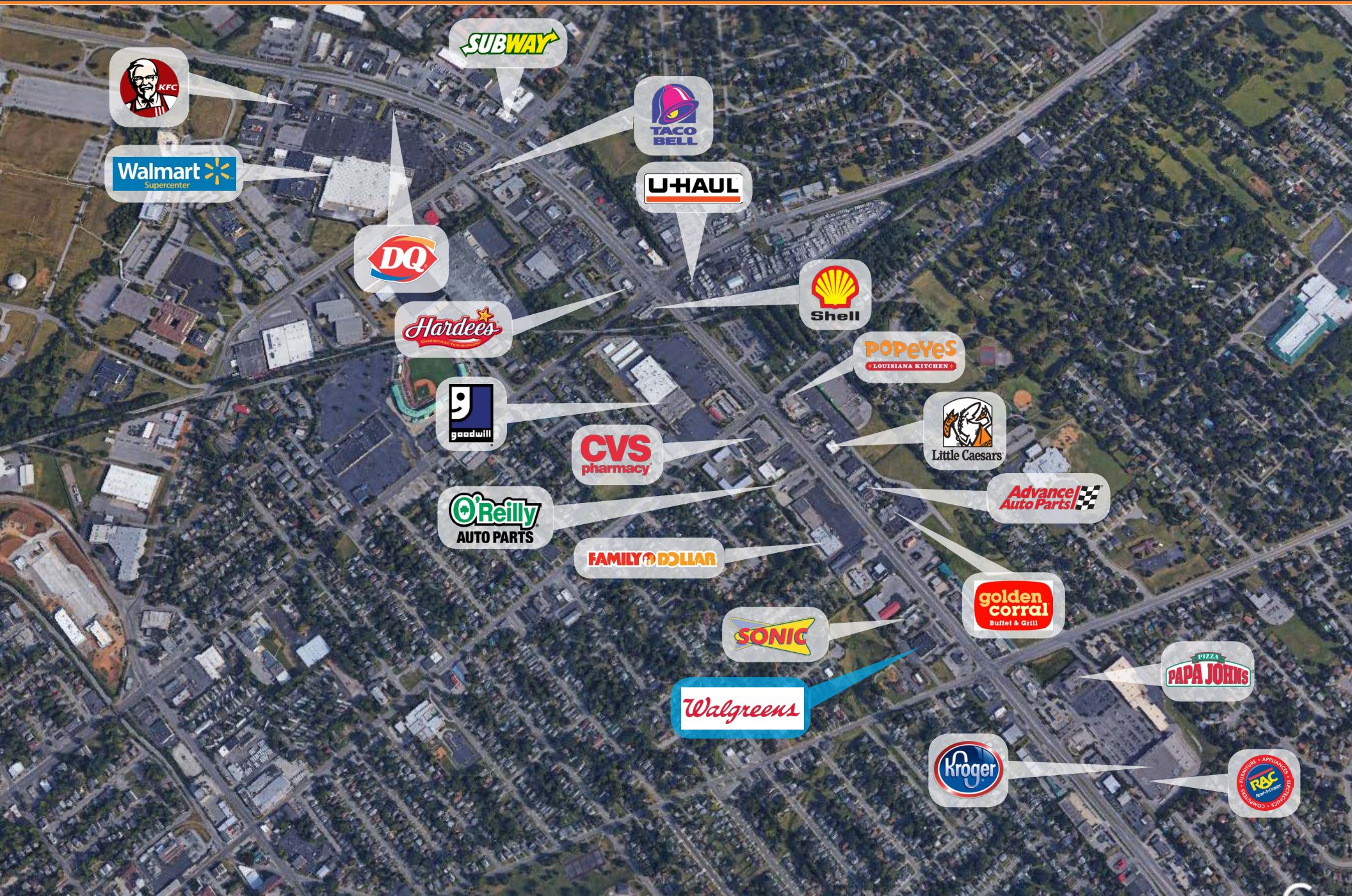
Tenant	Walgreens
Guarantor	Walgreens Corporate
Ownership	Public
Credit Rating (S&P)	BBB
Number of Locations	8,175
Headquarters	Deerfield, IL
Website	www.walgreens.com

Walgreens

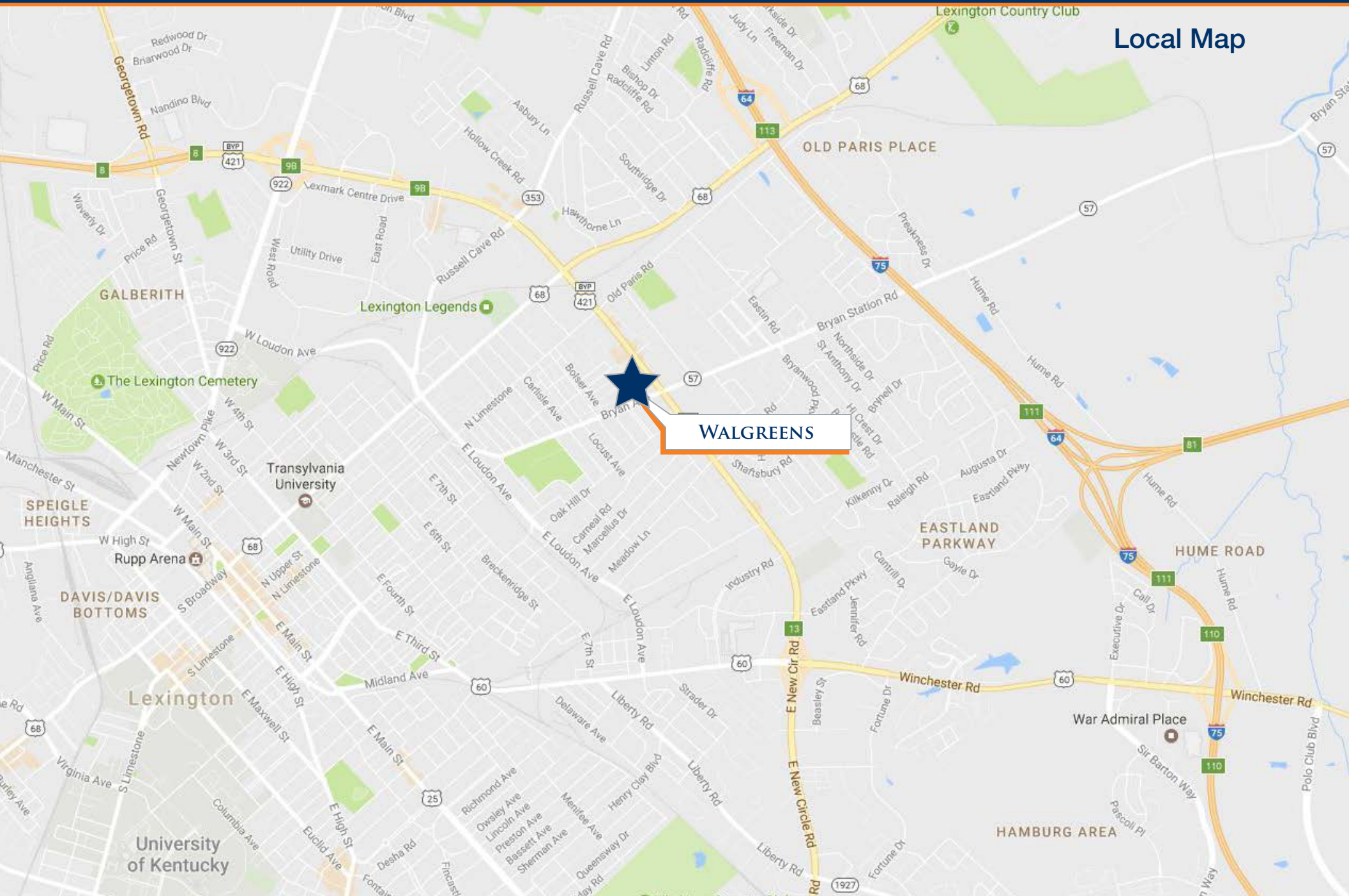
Lease Start Date	9/1/2000
Lease End Date	9/1/2020
Lease Duration	20 + 40 = 60 Years
Lease Options	8 (5 Years) = 40 Years

Billboard

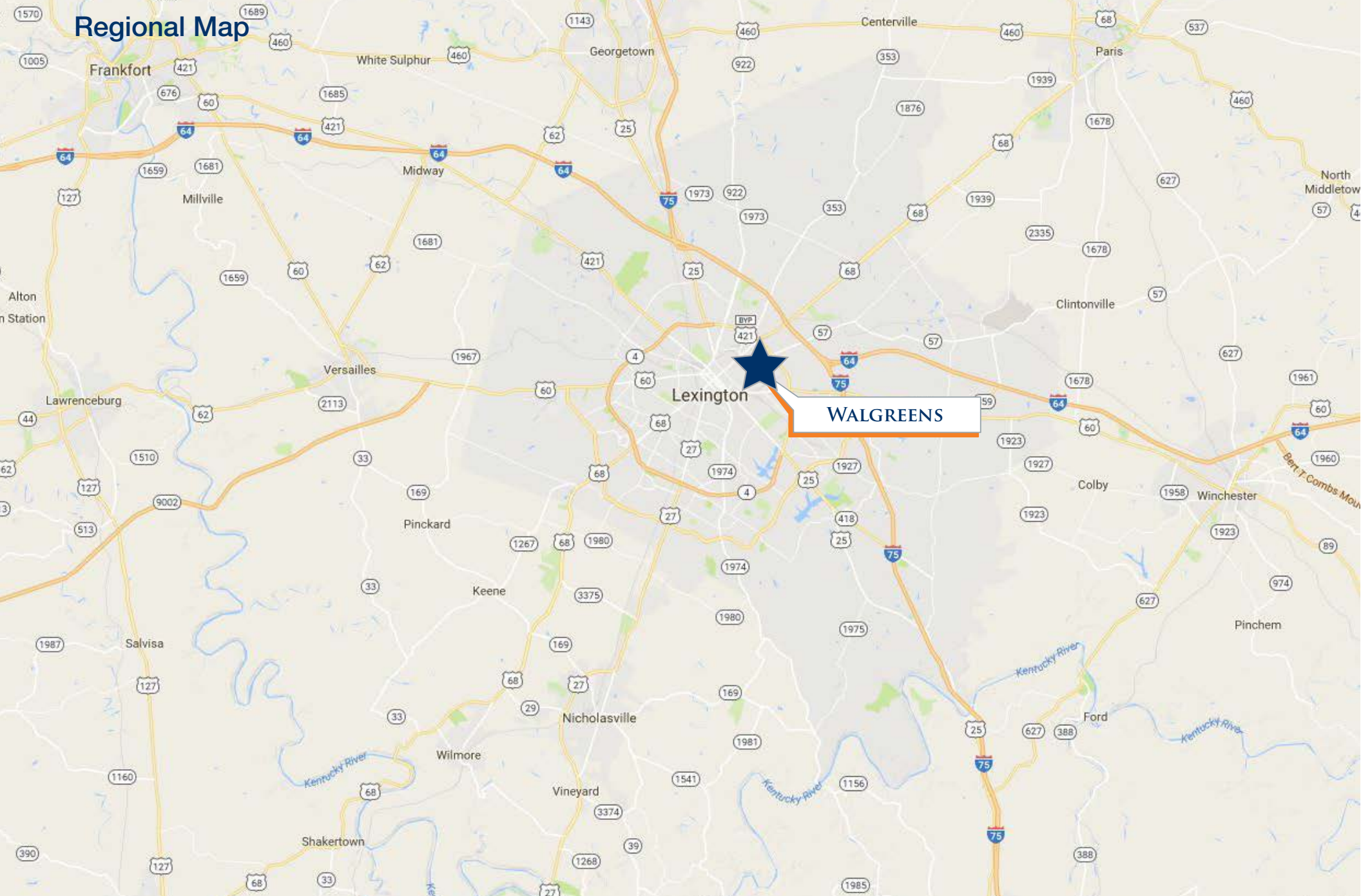
Lease Start Date	3/1/2008
Lease End Date	2/28/2018



Local Map



Regional Map



Location Overview

Geography

Within a day's drive of two-thirds of the population of the United States, Lexington is strategically located at the intersection of interstates 64 and 75 in Fayette County, Kentucky. Lexington is accessible by air with approximately 100 direct and nonstop flights. Nestled among world famous Thoroughbred horse farms, Blue Grass Airport (LEX) welcomes travelers with one of the most beautiful air approaches in the nation.

Fayette County consists of 283 square miles of gently rolling plateau in the center of the inner Bluegrass Region. The area is noted for its beauty, fertile soil, excellent pastureland and horse and stock farms. *Poa Pratensis* (bluegrass) thrives on the limestone beneath the soil's surface, playing a major role in the area's scenic beauty and in the development of champion horses. Numerous small creeks rise and flow into the Kentucky River.

Population

The U.S. Census estimate for Lexington-Fayette County is 310,797 (2014). The estimated population of the metropolitan statistical area (MSA), which is comprised of Bourbon, Clark, Fayette, Jessamine, Madison, Scott, and Woodford counties, is 494,189.



Major Regional Employers

Company	County	Description	Employees
University of Kentucky	Fayette	Education	12,500
Toyota Motor Manufacturing	Scott	Manufacturing	8,200
Kentucky Health & Family Services Cabinet	Franklin	Government	7,444
Fayette County Public Schools	Fayette	Education	5,172
Transportation Cabinet of Kentucky	Franklin	Government	4,848
Conduent	Fayette	Outsourcing	3,100
Lexington-Fayette Urban County Government	Fayette	Government	2,837
Eastern Kentucky University	Madison	Education	2,240
Lexmark International Inc.	Fayette	World HQ	2,200
Wal-Mart	Fayette	Retail	2,027
KentuckyOne Health	Fayette	Healthcare	1,757
Scott County Public Schools	Scott	Education	1,655
Veterans Medical Center	Fayette	Healthcare	1,565
Baptist Health	Fayette	Healthcare	1,558
Kentucky Department of Education	Franklin	Education	1,475
Hitachi Automotive Systems	Madison	Manufacturing	1,357
Amazon.com	Fayette	Distribution	1,300
Lockheed Martin	Fayette	Manufacturing	1,100
Lexington Clinic	Fayette	Healthcare	1,000

Demographic Summary

POPULATION	1 Miles	3 Miles	5 Miles
• 2021 Projection			
Total Population	11,914	89,541	188,339
• 2016 Estimate			
Total Population	11,784	86,851	180,201
• 2010 Census			
Total Population	11,281	81,834	169,246
• 2000 Census			
Total Population	12,800	79,639	153,475
• Current Daytime Population			
2016 Estimate	18,668	158,775	274,510
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
• 2021 Projection			
Total Households	4,991	37,179	81,244
• 2016 Estimate			
Total Households	4,925	35,860	77,323
Average (Mean) Household Size	2.39	2.20	2.21
• 2010 Census			
Total Households	4,695	33,486	72,125
• 2000 Census			
Total Households	5,382	32,745	65,963
• Occupied Units			
2021 Projection	4,991	37,179	81,244
2016 Estimate	5,279	39,151	83,420
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
• 2016 Estimate			
\$150,000 or More	1.57%	3.01%	4.44%
\$100,000 - \$149,000	4.96%	6.46%	8.74%
\$75,000 - \$99,999	7.42%	7.72%	9.62%
\$50,000 - \$74,999	16.21%	14.14%	15.48%
\$35,000 - \$49,999	14.70%	12.82%	13.24%
Under \$35,000	54.49%	54.98%	47.13%
Average Household Income	\$45,998	\$49,561	\$59,724
Median Household Income	\$32,165	\$30,993	\$37,910
Per Capita Income	\$19,689	\$21,431	\$26,186

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$48,104	\$47,680	\$52,030
• Consumer Expenditure Top 10			
Housing	\$12,357	\$12,611	\$13,401
Transportation	\$9,758	\$9,794	\$10,779
Shelter	\$6,165	\$6,544	\$6,907
Food	\$6,005	\$5,828	\$6,241
Utilities	\$3,603	\$3,464	\$3,606
Health Care	\$3,542	\$3,151	\$3,366
Personal Insurance and Pensions	\$3,168	\$3,295	\$3,881
Entertainment	\$1,983	\$1,979	\$2,180
Apparel	\$1,310	\$1,350	\$1,515
Household Furnishings and Equipment	\$1,295	\$1,331	\$1,444

POPULATION PROFILE	1 Miles	3 Miles	5 Miles
• Population By Age			
2016 Estimate Total Population	11,784	86,851	180,201
Under 20	22.37%	25.06%	23.63%
20 to 34 Years	18.42%	28.86%	29.88%
35 to 39 Years	6.86%	6.12%	6.71%
40 to 49 Years	14.12%	11.22%	11.44%
50 to 64 Years	22.66%	17.36%	16.63%
Age 65+	15.57%	11.36%	11.69%
Median Age	41.7	32.17	32.75
• Population 25+ by Education Level			
2016 Estimate Population Age 25+	8,389	52,226	113,245
Elementary (0-8)	8.75%	5.74%	4.65%
Some High School (9-11)	15.54%	12.21%	8.68%
High School Graduate (12)	36.57%	28.27%	24.37%
Some College (13-15)	19.86%	19.64%	19.75%
Associate Degree Only	5.22%	5.65%	6.83%
Bachelors Degree Only	8.27%	16.02%	20.01%
Graduate Degree	4.27%	11.27%	14.68%

Demographic Summary

Geography: 5 Miles

Population

In 2016, the population in your selected geography is 11,784. The population has changed by -7.94% since 2000. It is estimated that the population in your area will be 11,914.00 five years from now, which represents a change of 1.10% from the current year. The current population is 50.51% male and 49.49% female. The median age of the population in your area is 41.70, compare this to the US average which is 37.68. The population density in your area is 3,747.19 people per square mile.

Households

There are currently 4,925 households in your selected geography. The number of households has changed by -8.49% since 2000. It is estimated that the number of households in your area will be 4,991 five years from now, which represents a change of 1.34% from the current year. The average household size in your area is 2.39 persons.

Income

In 2016, the median household income for your selected geography is \$32,165, compare this to the US average which is currently \$54,505. The median household income for your area has changed by 2.60% since 2000. It is estimated that the median household income in your area will be \$35,616 five years from now, which represents a change of 10.73% from the current year.

The current year per capita income in your area is \$19,689, compare this to the US average, which is \$29,962. The current year average household income in your area is \$45,998, compare this to the US average which is \$78,425.

Race and Ethnicity

In 2016, the median household income for your selected geography is \$32,165, compare this to the US average which is currently \$54,505. The median household income for your area has changed by 2.60% since 2000. It is estimated that the median household income in your area will be \$35,616 five years from now, which represents a change of 10.73% from the current year.

The current year per capita income in your area is \$19,689, compare this to the US average, which is \$29,962. The current year average household income in your area is \$45,998, compare this to the US average which is \$78,425.

Housing

The median housing value in your area was \$105,754 in 2016, compare this to the US average of \$187,181. In 2000, there were 3,134 owner occupied housing units in your area and there were 2,248 renter occupied housing units in your area. The median rent at the time was \$386.

Employment

In 2016, there are 10,427 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 47.35% of employees are employed in white-collar occupations in this geography, and 52.96% are employed in blue-collar occupations. In 2016, unemployment in this area is 6.31%. In 2000, the average

time traveled to work was 20.00 minutes.

Demographic data © 2010 by Experian/Applied Geographic Solutions.



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Investment Sales:

JJ Taughinbaugh

First Vice President Investments
PALO ALTO

Tel: (650) 391-1807

Fax: (650) 391-1710

jj.taughinbaugh@marcusmillichap.com

License: CA 01413305

Yuri Sergunin, CCIM

Senior Investment Associate
PALO ALTO

Tel: (650) 391-1764

Fax: (650) 391-1710

yuri.sergunin@marcusmillichap.com

License: CA 01908322