

Marcus & Millichap

**3011 NE Sunset Blvd
Renton, WA 98056**

- 11 Miles From Downtown Seattle
- Two Miles From Main Boeing Factory
- Three Miles From NFL's Seattle Seahawks Training Facility



EXCLUSIVE NET LEASE ***Walgreens***
OFFERING MEMORANDUM

Confidentiality and Disclaimer

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

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.

As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap expressly denies any obligation to conduct a due diligence examination of this Property for Buyer.

Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors.

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 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.

CONFIDENTIALITY AND DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified 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, PCB's or asbestos, the compliance with 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 Marketing Brochure 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.

NON-ENDORSEMENT NOTICE

Marcus & Millichap Real Estate Investment Services, Inc. ("M&M") is not affiliated with, sponsored by, or endorsed by any commercial tenant or lessee identified in this marketing package. The presence of any corporation's logo or name is not intended to indicate or imply affiliation with, or sponsorship or endorsement by, said corporation of M&M, its affiliates or subsidiaries, or any agent, product, service, or commercial listing of M&M, and is solely included for the purpose of providing tenant lessee information about this listing to prospective customers.

ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS. ACTIVITY ID: ZAA0330314

Walgreens



Financial Analysis

Walgreens

PRICE: \$6,846,138 | CAP: 6.50% | RENT: \$444,999

Property Description

Property	Walgreens
Property Address	3011 NE Sunset Blvd
City, State, ZIP	Renton, WA 98056
Year Built / Renovated	2002
Building Size	+/- 13,650
Lot Size	+/- 1.50 Acres
Type of Ownership	Fee Simple

The Offering

Annual Rent	\$444,999
CAP Rate	6.50%
Price	\$6,846,138

Lease Summary

Property Type	Net Leased Drug Store
Tenant / Guarantor	Corporate
Ownership Type	Public (NYSE: WBA)
Original Lease Term	75 Years
Lease Commencement	August 6, 2002
Lease Expiration	August 31, 2027
Lease Term Remaining	8.5 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew/Terminate	Nine (9), Five (5)-Year Options

Rent Schedule

Lease Year(s)	Annual Rent	Monthly Rent
8/6/2002 – 8/5/2077	\$444,999	\$37,083





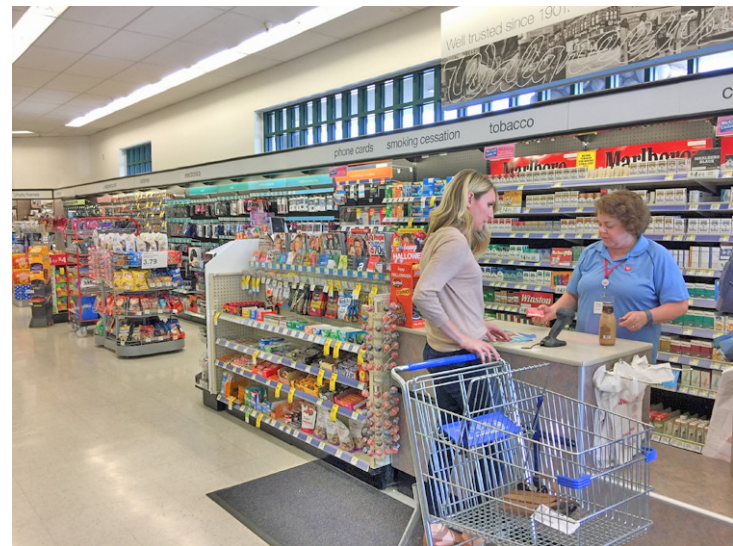
INVESTMENT SUMMARY



Marcus & Millichap is pleased to present the exclusive listing for Walgreens property located at 3011 NE Sunset Blvd, Renton, Washington. The property consists of 13,650 square feet of building space and sits on roughly 1.5 acres of land. The building was built in 2002.

This Walgreens property has approximately 8.5 years remaining on an original 75-year triple (NNN) lease, the tenant has the right to terminate on August 8, 2027. The current annual net operating income is \$444,990. Walgreens has nine, five-year tenant renewal/termination options after their first in 2027.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the USA and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25 countries and employ more than 400,000 people. The company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has over 13,200 stores in 11 countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with over 390 distribution centers delivering to more than 230,000 pharmacies, doctors, health centers and hospitals each year in more than 20 countries.





Investment Highlights

Walgreens

PRICE: \$6,846,138 | CAP: 6.50% | RENT: \$ 444,999

About the Investments

- ✓ Triple-Net (NNN) Lease with Approximately 8 Years 5 Months Remaining
- ✓ Nine, Five-Year Tenant Renewal Options
- ✓ Corporate Guarantee from Walgreens Co. (NYSE: WBA)
- ✓ Investment Grade Credit - S&P Rating: BBB

About the Locations

- ✓ Three Miles From Seattle Seahawks Training Complex - Second Largest in the NFL
- ✓ Two Miles From Boeing Factory/Headquarters – 12,000 Person Workforce
- ✓ 11 Miles from Downtown Seattle
- ✓ Excellent Demographics – 240,000 People Within Five Miles
- ✓ Hazen High School and Renton Technical Within Two Miles
- ✓ Renton is an Affluent Suburb of Seattle

About the Tenant/Brand

- ✓ Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the USA and Europe.
- ✓ Walgreens Operates over 13,200 stores in 11 Countries
- ✓ The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Botanicas, Liz Earle and Soap & Glory.







Tenant Overview

Walgreens Boots Alliance, Inc.



Walgreens Boots Alliance

CREDIT RATING: B1

www.fdreports.com | www.creditintell.com | August 31, 2016

General Information

Address	108 Wilnot Rd , Deerfield, Illinois, 60015, United States
Phone	(847) 315-2500
Website	www.walgreens.com

Store Base

Store Count	8,184
TTM Sales	\$117,351,000,000

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise.

The company was created through the combination of Walgreens and Alliance Boots in December 2014, bringing together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted health care services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the USA and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25* countries and employ more than 400,000* people. The company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has over 13,200* stores in 11* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with over 390* distribution centers delivering to more than 230,000** pharmacies, doctors, health centers and hospitals each year in more than 20* countries. In addition, Walgreens Boots Alliance is one of the world's

Key Personnel

Chairman & Chief Executive Officer	Stefano Pessina
Executive Vice President	Alex Gourlay
Chief Financial Officer & Executive Vice President	George Fairweather
Chairman	James A Skinner

Financial Markets

Stock Ticker	WBA
Current Price	\$63.79 as of 4/10/2018
52 Week High/Low	\$89.69 / \$61.74

largest purchasers of prescription drugs and many other health and wellbeing products.

The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Botanics, Liz Earle and Soap & Glory.

In October 2016 Walgreens Boots Alliance received the United Nations Foundation Global Leadership Award for its commitment to the UN's Sustainable Development Goals.

More company information is available at www.walgreensbootsalliance.com.

* As of 31 August 2016, using publicly available information for AmerisourceBergen.

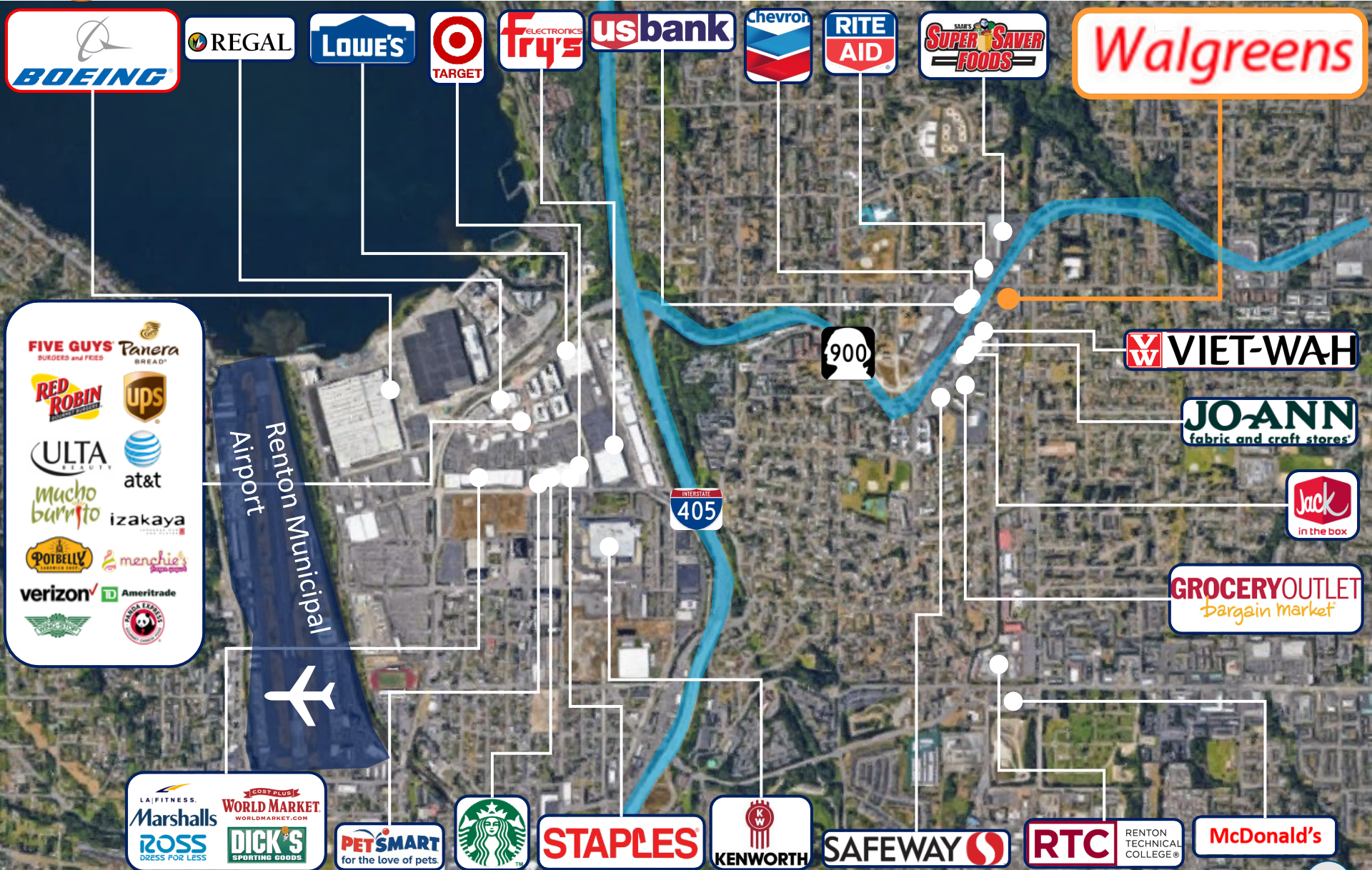
** For 12 months ending 31 August 2016, using publicly available information for AmerisourceBergen.



Surrounding Area

Property Address: 3011 NE Sunset Blvd Renton, WA 98056

Walmart





Location Overview

Property Address: 3011 NE Sunset Blvd Renton, WA 98056

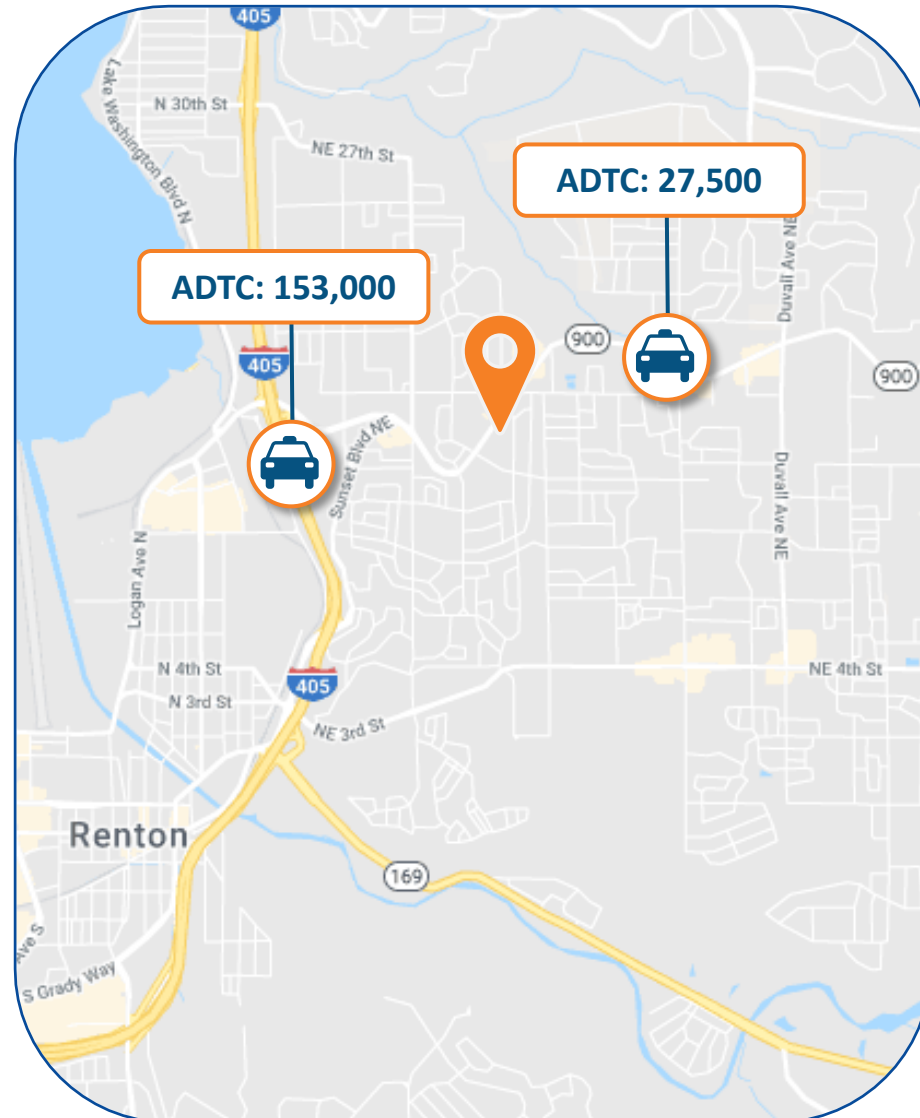
Walgreens

This Walgreens property is located at 3011 NE Sunset Blvd in Renton, Washington. Renton is located in King County and an inner-ring suburb of Seattle. Renton is located just 11 miles from downtown Seattle.

The subject property is located in close proximity to Interstate 405, which experiences an extremely high volume of commuter traffic and boasts an average daily traffic count that exceeds 153,000 vehicles. Interstate 405 intersects with NE Sunset Blvd. This Walgreens is situated along NE Sunset Blvd, which features an average daily traffic count of approximately 27,500 vehicles. There are approximately 101,990 individuals residing within a three-mile radius of this Walgreens and over 238,720 individuals within a five-mile radius.

The subject property benefits from being positioned within a densely populated suburb of Seattle. There are a variety of national tenants located in close proximity to this Walgreens. Major national tenants include: Lowe's, Target, Safeway, Starbucks, McDonald's, Fry's, Staples, LA Fitness, and many more. Located just two miles from the subject property is Boeing's 737 factory, which leads the industry as the most efficient airplane factory in the world. Approximately 30% of the worldwide fleet is assembled in Renton. Also located approximately three miles from this Walgreens is the Seattle Seahawks Training Facility. Consisting of over 200,000 SF of waterfront training space, this facility was ranked 2nd largest in the NFL. Additionally, located less than six miles from this Walgreens is Seattle-Tacoma International Airport, which experiences over 49,849,520 passengers each year.

Renton is a city with magnificent views of the Cascades and Mount Rainier. Adding to the beauty is Cedar River that runs through the downtown district, and residents are served by Valley Medical Center and a highly regarded Renton School District No. 403. The NFL's Seattle Seahawks have a training facility in Renton, and one of the main employers is Boeing, which manufactures commercial 737 airplanes. Formerly synonymous with the large industrial companies such as Boeing, and Kenworth, a pattern of future development was established with the attraction of the first IKEA in the Pacific Northwest to Renton in 1994. A new branch of the Federal Reserve Bank now calls Renton home, beginning operations in the spring of 2008 on the site of the former Longacres horse-racing track. To date, myriad development of major retail, residential, and revitalization projects are amidst planning, in construction, or have been successfully executed. Among which include Port Quendall, a land parcel in north Renton, that has become the new home to the Virginia Mason Athletic Center (VMAC), housing the Seattle Seahawks Headquarters.



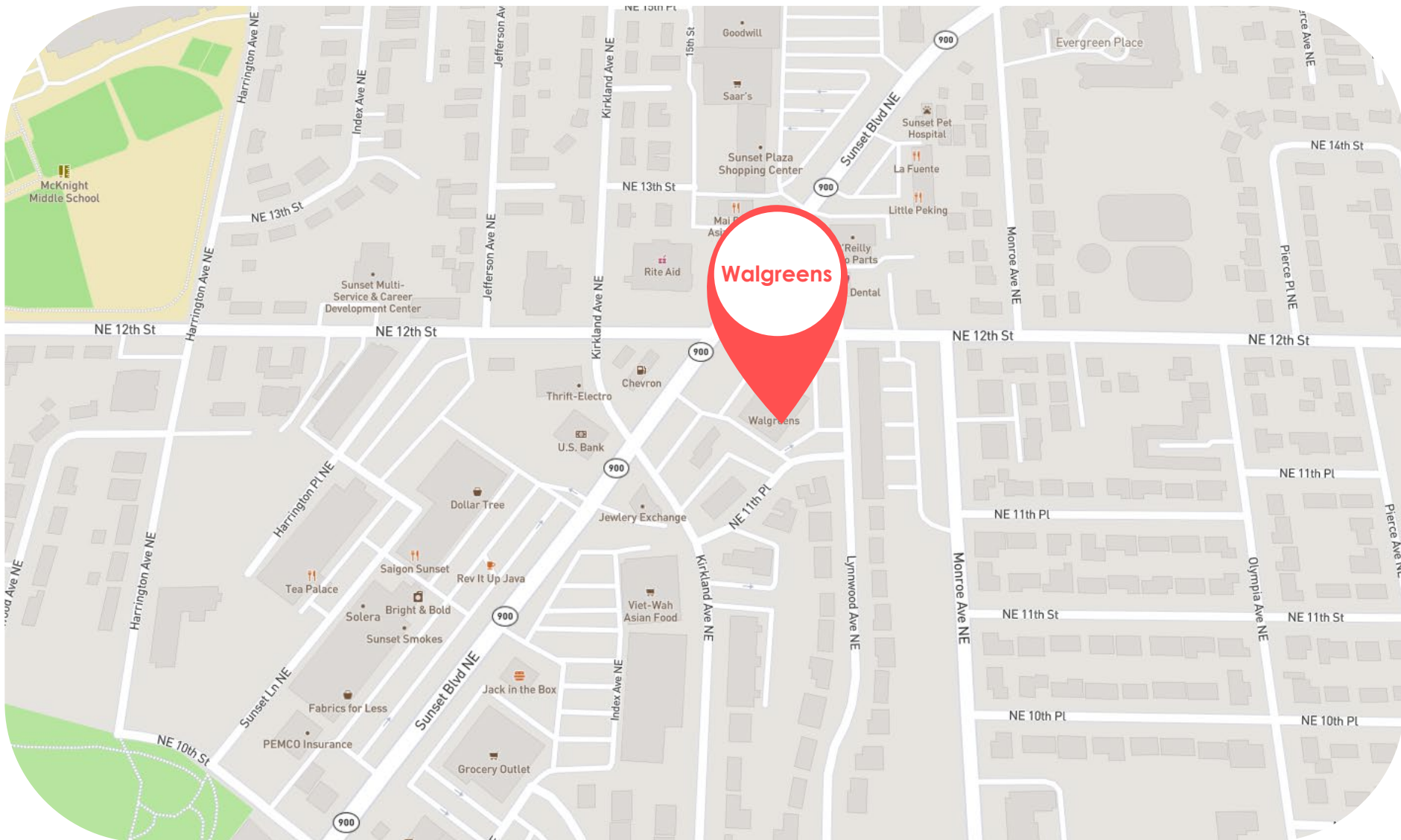




Local Map

Property Address: 3011 NE Sunset Blvd Renton, WA 98056

Walgreens

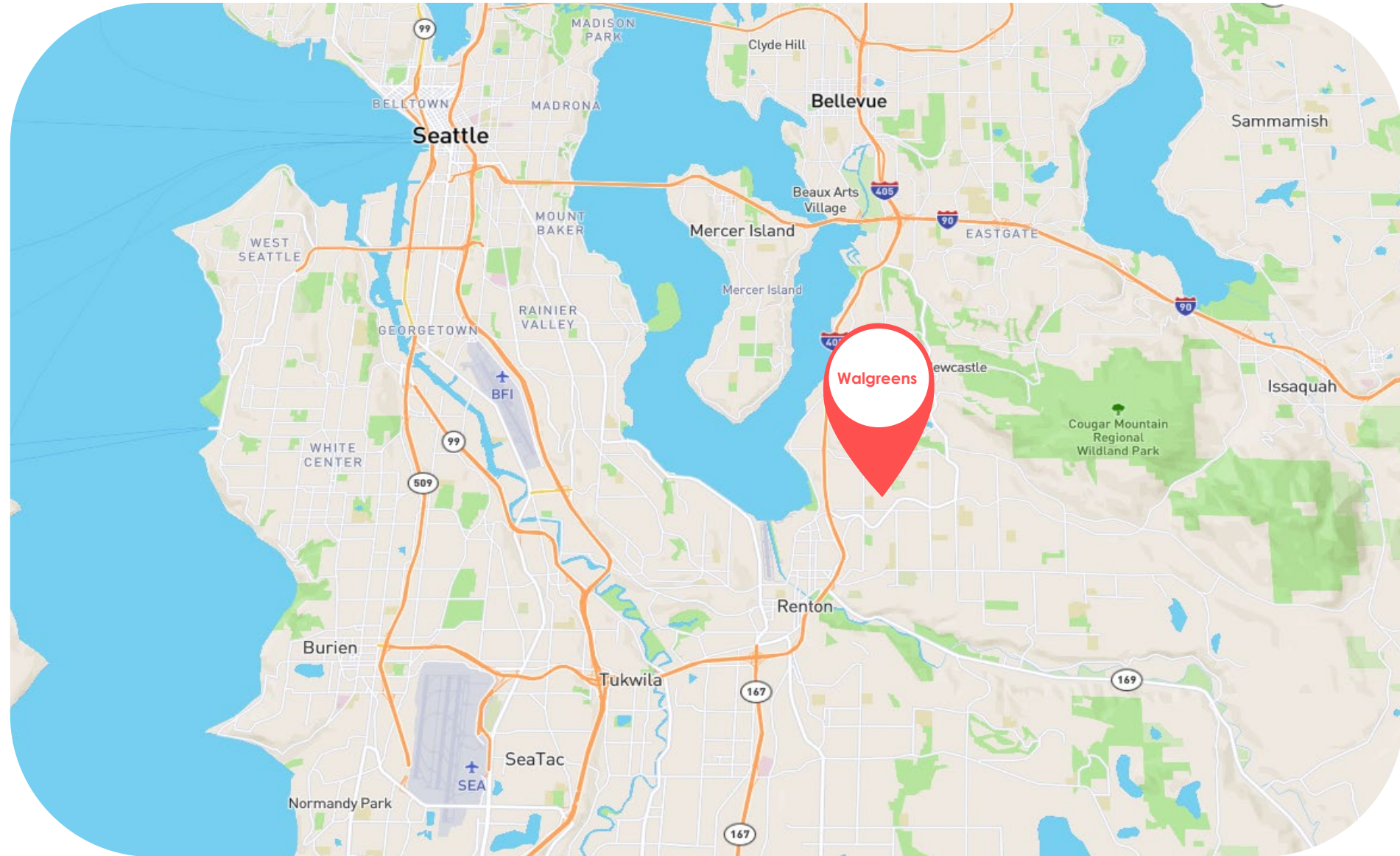




Regional Map

Property Address: 3011 NE Sunset Blvd Renton, WA 98056

Walmart





Demographics

Property Address: 3011 NE Sunset Blvd Renton, WA 98056

Walmart
Walmart



	1 Mile	3 Miles	5 Miles
POPULATION			
2023 Projection	24,487	108,666	248,669
2018 Estimate	24,025	101,990	238,722
2010 Census	20,557	89,024	214,097
2000 Census	17,778	71,870	186,174
INCOME			
Average	\$83,487	\$108,872	\$120,088
Median	\$64,838	\$79,383	\$85,984
Per Capita	\$32,075	\$43,439	\$45,953
HOUSEHOLDS			
2023 Projection	9,468	43,823	96,173
2018 Estimate	9,194	40,599	91,155
2010 Census	7,810	35,277	81,195
2000 Census	7,526	29,867	72,372
HOUSING			
2018	\$372,811	\$465,090	\$484,355
EMPLOYMENT			
2018 Daytime Population	17,194	80,590	225,172
2018 Unemployment	4.39%	3.91%	3.97%
2018 Median Time Traveled	34	32	32
RACE & ETHNICITY			
White	51.22%	52.48%	49.88%
Native American	0.51%	0.50%	0.72%
African American	8.42%	9.19%	11.83%
Asian/Pacific Islander	19.44%	25.12%	26.25%
POPULATION			
2023 Projection	24,487	108,666	248,669



State Map

Property Address: 3011 NE Sunset Blvd Renton, WA 98056

Walgreens



Marcus & Millichap
EXCLUSIVE NET LEASE OFFERING
Walgreens

Broker of Record:
Joel Deis
601 Union St Suite 2710, Seattle, WA 98101
P: (206) 826-5700