

Walgreens



*REPRESENTATIVE PHOTO



OFFERING
MEMORANDUM

WALGREENS NET LEASED OFFERING

370 SCHILLINGER RD S, MOBILE, AL 36695

OFFERING MEMORANDUM
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INVESTMENT OVERVIEW



This offering is for the 100% fee simple interest in the land and building. The property is leased to Walgreens under a net lease. The lease calls for minimal landlord obligations. The property benefits from its location on a highly trafficked thoroughfare in a thriving market. The asset is surrounded by national retailers including Walmart Supercenter, Lowe's, Hobby Lobby and Chick-fil-A. The asset also benefits from its location at a signalized hard corner with excellent visibility.

INVESTMENT HIGHLIGHTS

NET LEASED WALGREENS

MINIMAL LANDLORD OBLIGATIONS

S&P RATED BBB INVESTMENT GRADE CREDIT

CORPORATE GUARANTY - NASDAQ: WBA

100% FEE SIMPLE INTEREST

LOCATED IN A DENSE RETAIL CORRIDOR

OFFERING SPECIFICATIONS

PRICE \$5,051,429

CAP RATE 8.75%

NET OPERATING INCOME \$442,000

SQUARE FOOTAGE 15,120

LOT SIZE 1.57 AC

FINANCIAL SUMMARY

WALGREENS • NET LEASED OFFERING

370 SCHILLINGER RD S, MOBILE, AL 36695

\$5,051,429 • 8.75%

SUMMARY

TENANT NAME	WALGREENS
SQUARE FOOTAGE	15,120
LEASE STARTS	12/31/01
LEASE ENDS	12/31/21
ANNUAL RENT	\$442,000
OPTIONS	Eight, 5-Year
INCREASES	Rent is Flat

OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
CURRENT	\$442,000 .00	8.75%

TENANT OVERVIEW



PUBLICLY TRADED
NASDAQ: WBA



9,500+ LOCATIONS



415,000+ EMPLOYEES

WALGREENS

Walgreen Company or simply Walgreens is an American company that operates as the second-largest pharmacy store chain in the United States behind CVS Health. It specializes in filling prescriptions, health and wellness products, health information, and photo services. As of August 31, 2018, the company operated 9,560 stores in all 50 states, the District of Columbia and the US territories of 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.

In 2014 the company agreed to purchase the remaining 55% of Switzerland-based Alliance Boots that it did not already own to form a global business. Under the terms of the purchase, the two companies merged to form a new holding company, Walgreens Boots Alliance Inc., on December 31, 2014. Walgreens became a subsidiary of the new company, which retains its Deerfield headquarters and trades on the Nasdaq under the symbol WBA

A typical Walgreens store is about 14,500 square feet with 11,000 square feet of sales area. They offer nearly 25,000 items for sale and typically staff between 25 and 30 people per store. On average, one store pulls in \$8.5 million in annual sales. Most stores include a pharmacy, photo lab, cosmetics counter, and a general merchandise area. Select stores in metropolitan Chicago, Florida, Atlanta, Kansas City, Nashville, Las Vegas, and St. Louis now include Walgreens TakeCare Health Clinics where certified (primarily nurse practitioners, and in some states, registered pharmacist) staff diagnose, treat, and prescribe for common illnesses and can also issue vaccinations and physicals in select locations. These clinics are open 7 days a week; including evenings and weekends with no appointments necessary and with acceptance of most major insurance plans. If a patient uses the TakeCare Clinic, their prescription is automatically processed through Walgreens' Intercom Plus Pharmacy System as a waiting prescription, so in most stores, the prescription is ready to be picked up in 15 to 20 minutes.

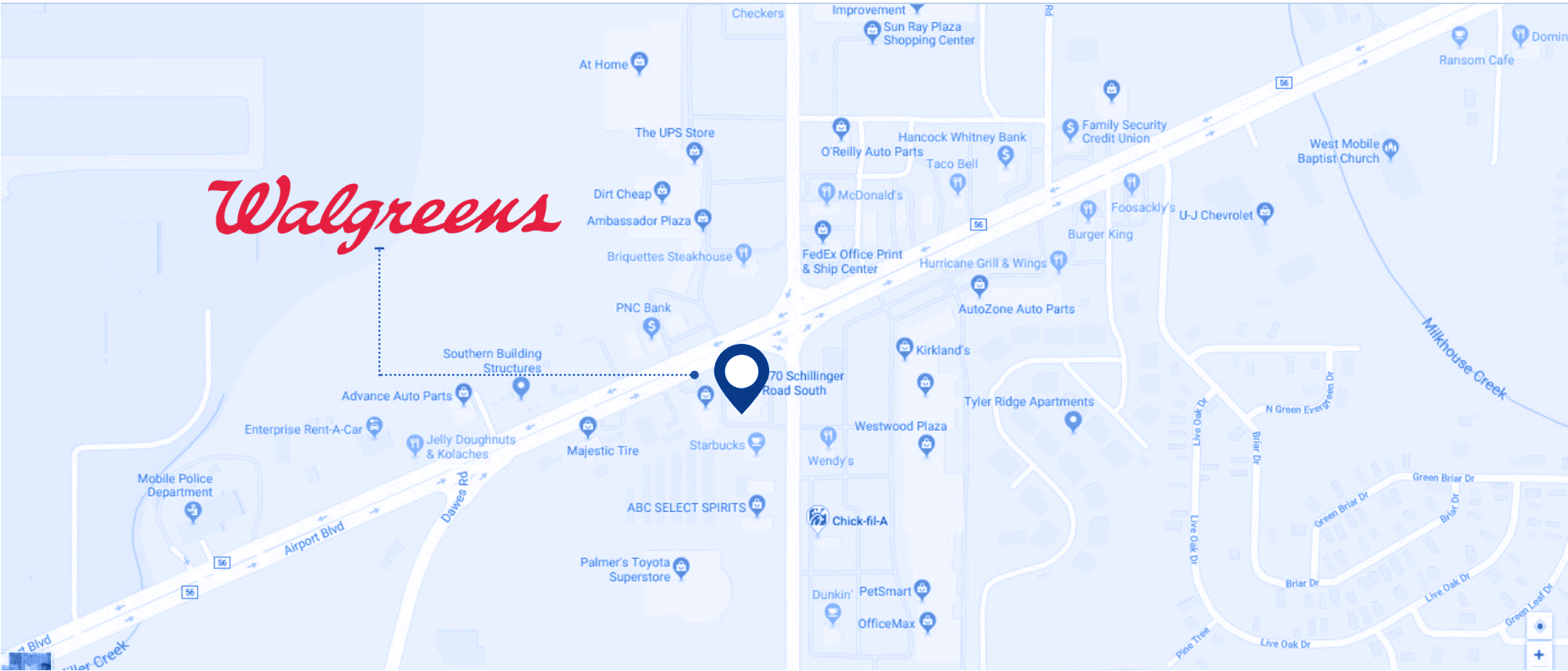
LOCATION AERIAL



An aerial photograph of a commercial area. A red location pin is placed on a dark-roofed building. Above the pin, the text "370 Schillinger Rd S" is written in black. Above that, the word "Walgreens" is written in a red, cursive font. A blue dashed line with a dot at the end points from the "Walgreens" text to the location pin. The surrounding area includes various industrial buildings, parking lots filled with cars, and a multi-lane road.



DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	44,009	109,730	291,236
TOTAL HOUSEHOLDS	17,837	43,712	113,360
AVERAGE HOUSEHOLD INCOME	\$71,420	\$77,573	\$65,075
AVERAGE AGE	37.00	38.10	38.20

AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL HOUSEHOLDS	17,837	43,712	113,360
TOTAL POPULATION	44,009	109,730	291,236
PERSONS PER HOUSEHOLD	2.40	2.50	2.50
AVERAGE HOUSEHOLD INCOME	\$71,420	\$77,573	\$65,075
AVERAGE HOUSE VALUE	\$160,657	\$163,643	\$138,154
AVERAGE AGE	37.00	38.10	38.20
POPULATION WHITE	28,767	73,965	160,046
POPULATION BLACK	12,241	29,552	119,303
POPULATION AM, INDIAN, & ALASKAN	210	530	1,470
POPULATION ASIAN	1,780	3,603	5,699
POPULATION HAWAIIAN & PACIFIC ISLANDER	19	41	106
POPULATION OTHER	992	2,039	4,613

MOBILE, ALABAMA

Mobile is a port city on Alabama’s Gulf Coast. The WWII-era USS Alabama battleship is anchored in Battleship Memorial Park. Floats, costumes and photos at the Mobile Carnival Museum illuminate the city’s centuries-old Mardi Gras tradition. The 1850 Cathedral Basilica of the Immaculate Conception features intricate German stained glass. International fine and decorative art is displayed at the Mobile Museum of Art.

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