

Walgreens



*REPRESENTATIVE PHOTO



OFFERING
MEMORANDUM

WALGREENS NET LEASED OFFERING

3211 SOUTH LANCASTER ROAD, DALLAS, TX

OFFERING MEMORANDUM
PRESENTED BY:

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INVESTMENT SALES

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INVESTMENT OVERVIEW



The subject property is a net leased Walgreens in Dallas, Texas. The lease calls for minimal landlord obligations. The twenty year lease ended in 2018, and the tenant is now exercising their first of eight 5-year renewal options beyond the initial term. The property is well-situated on a major retail corridor surrounded by natioanl retailers including 7-Eleven, Wendy’s and BB&T Bank.

INVESTMENT HIGHLIGHTS

WALGREENS NET LEASED OFFERING
100% FEE SIMPLE INTEREST WITH MINIMAL LANDLORD OBLIGATIONS
INCOME TAX FREE STATE
WELL SITUATED ON A MAJOR COMMERCIAL THOROUGHFARE
SMALL PRICE POINT WALGREENS
STRONG DEMOGRAPHICS AND TRAFFIC COUNTS OF 18,124 VPD
EXERCISED FIRST OPTION SHOWING COMMITMENT TO SITE

OFFERING SPECIFICATIONS

PRICE	\$2,567,076
CAP	6.50%
NET OPERATING INCOME	\$166,860
SQUARE FOOTAGE	14,288
LOT SIZE	2.05
YEAR BUILT	1998

FINANCIAL SUMMARY

WALGREENS • NET LEASED OFFERING

3211 SOUTH LANCASTER ROAD, DALLAS, TX

\$2,567,076 • 6.50%

SUMMARY

TENANT NAME	Walgreens
SQUARE FOOTAGE	14,288
LEASE STARTS	10/31/2018*
LEASE ENDS	10/31/2023
ANNUAL RENT	\$166,860
OPTIONS	EIGHT, 5-YEAR OPTIONS (SEVEN REMAINING)
INCREASES	RENT IS FLAT

OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
CURRENT (OPTION 1)	\$166,860	6.50%

* TENANT IS EXERCISING FIRST OF EIGHT OPTIONS

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.

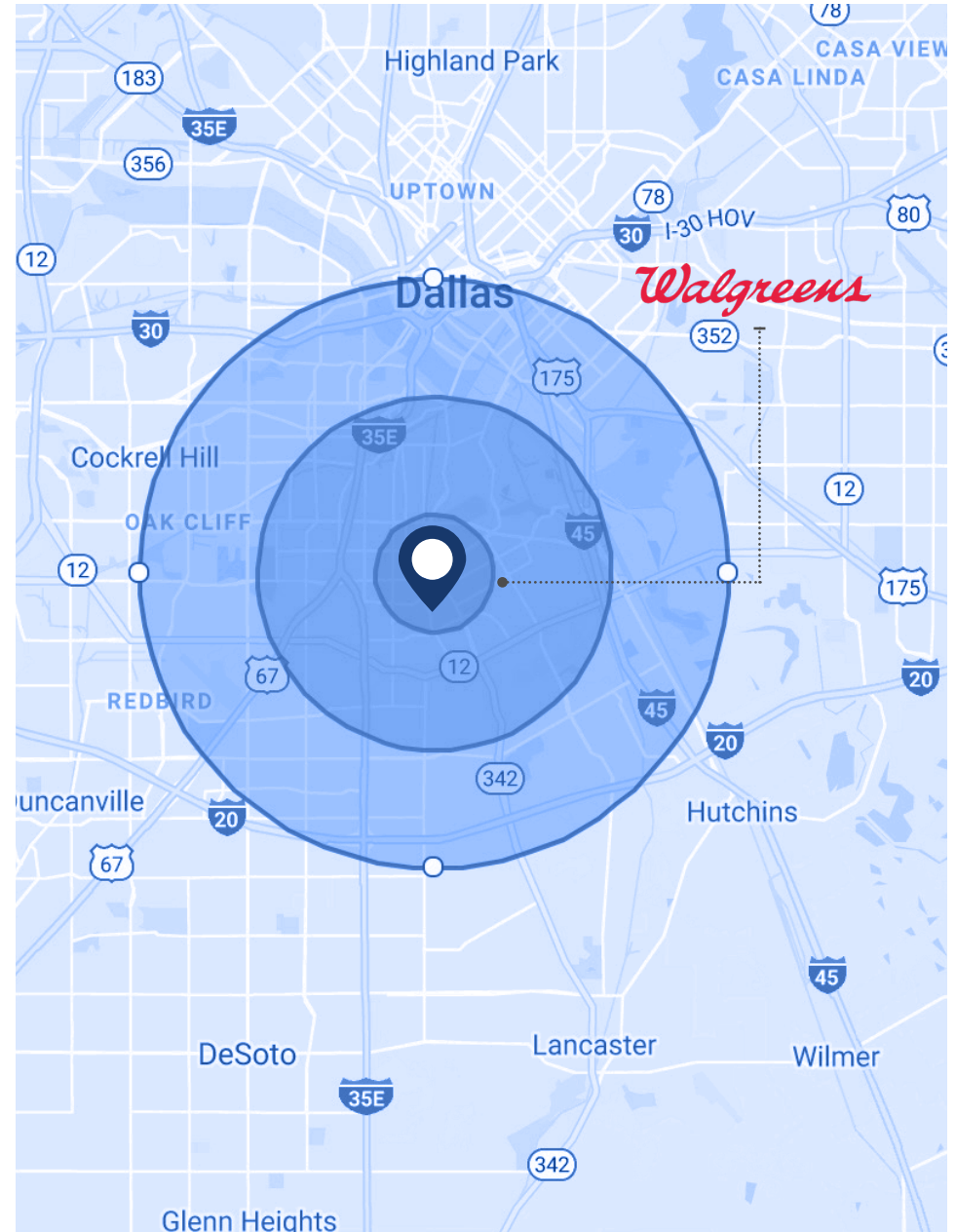
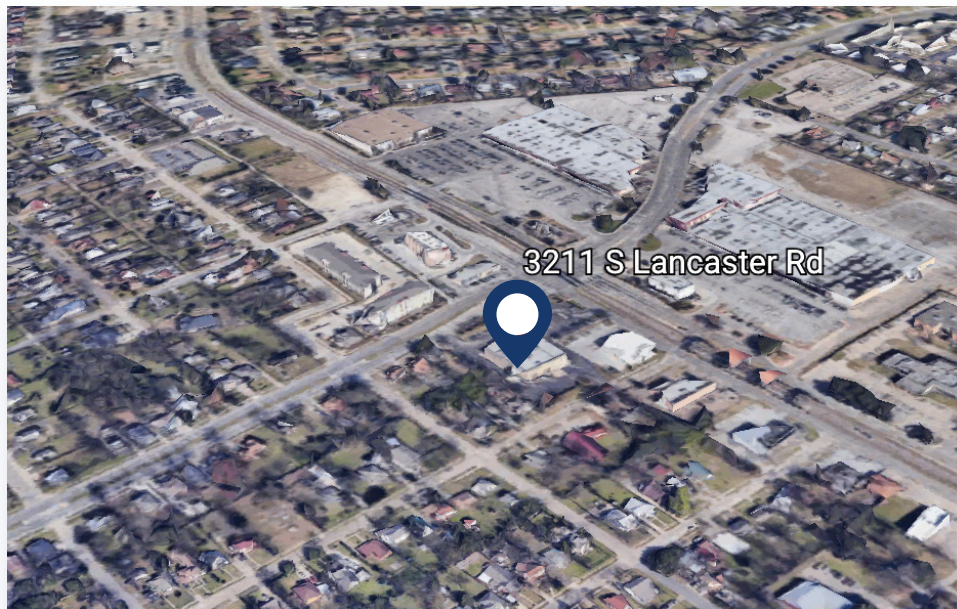
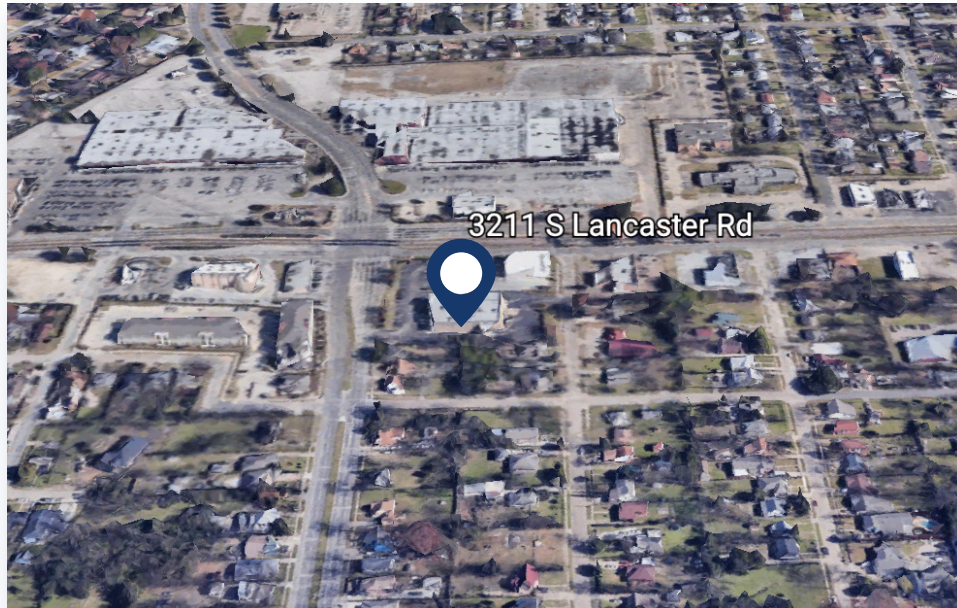
In 2014 the company agreed to purchase the remaining 55% of Switzerland-based Alliance Boots that it did not already own to form a global business. Under the terms of the purchase, the two companies merged to form a new holding company, Walgreens Boots Alliance Inc., on December 31, 2014. Walgreens became 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.

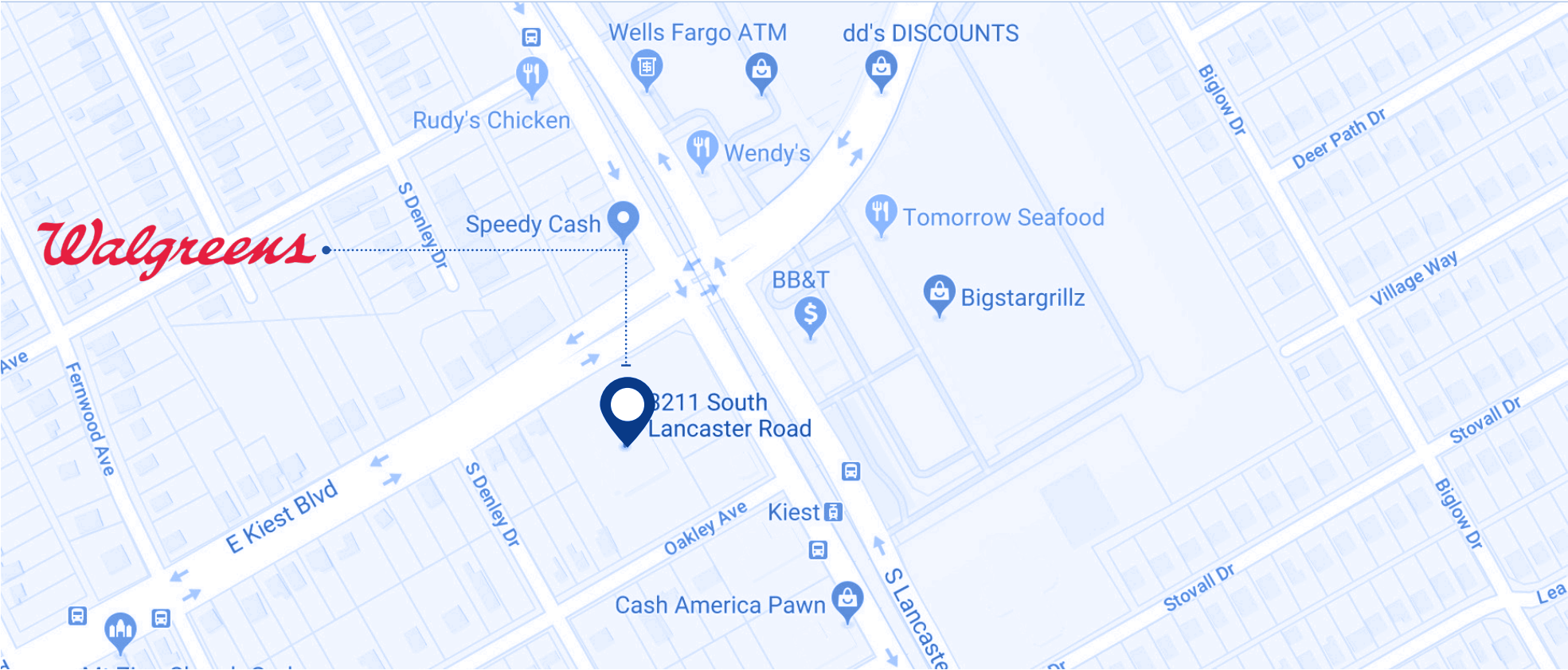
LOCATION AERIAL



REGIONAL OVERVIEW



DEMOGRAPHICS



	1 MILES	3 MILES	5 MILES
TOTAL POPULATION	14,963	110,304	268,913
TOTAL HOUSEHOLDS	4,656	34,843	84,988
AVERAGE HOUSEHOLD INCOME	\$37,044	\$43,036	\$51,842
AVERAGE AGE	36.50	34.90	35.20

AREA OVERVIEW

DEMOGRAPHICS	1 MILES	3 MILES	5 MILES
TOTAL POPULATION	14,963	110,304	268,913
TOTAL HOUSEHOLDS	4,656	34,843	84,988
PERSONS PER HOUSEHOLD	3.10	3.00	2.90
AVERAGE HOUSEHOLD INCOME	\$37,044	\$43,036	\$51,842
AVERAGE HOUSE VALUE	\$59,793	\$74,527	\$88,173
AVERAGE AGE	36.50	34.90	35.20
WHITE	5,961	48,695	138,143
BLACK	8,660	58,328	122,416
AM. INDIAN & ALASKAN	132	969	2,776
ASIAN	39	954	2,123
HAWAIIAN & PACIFIC ISLAND	33	126	242
OTHER	139	1,232	3,213

DALLAS, TEXAS

Dallas, officially the City of Dallas, is a city in the U.S. state of Texas and the seat of Dallas County, with portions extending into Collin, Denton, Kaufman and Rockwall counties. With an estimated 2018 population of 1,345,047, it is the ninth most-populous city in the U.S. and third in Texas after Houston and San Antonio. It is also the eighteenth most-populous city in North America as of 2015. Located in North Texas, the city of Dallas is the main core of the largest metropolitan area in the Southern United States and the largest inland metropolitan area in the U.S. that lacks any navigable link to the sea. It is the most populous city in the Dallas–Fort Worth metroplex, the fourth-largest metropolitan area in the country at 7.5 million people as of 2018. The city's combined statistical area is the seventh-largest in the U.S. as of 2017, with 7,846,293 residents.

Walgreens

DALLAS, TEXAS



The Kase Group

BROKER OPINION OF
VALUE

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