



Walgreens

SOON TO BE REBRANDED TO A WALGREENS

SCOTTSVILLE, KY | OFFERING MEMORANDUM

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INVESTMENT HIGHLIGHTS

- **Former Rite Aid converted to Walgreens** – Walgreens acquired this location in January 2018 as part of their acquisition of 1,932 stores for nearly \$4.4 billion. The lease has been assigned to Walgreen Co.
- **Long Term NNN Lease** – Over 8.5 years remaining on an absolute NNN lease
- **Lack of Competition** – Only single tenant drug store in Scottsville, KY. Closest CVS is 27 miles away and next closest Walgreens is 28 miles away
- **Rent Increases in Options** – Tenant has 10% rent increases every 10 years in the options, which is rare for a STNL drug store.
- **Prototype Drug Store Format** – Drive-thru, 14,696 SF store format on 2.35 acres.
- **Nearby Commercial Tenants** – Include O'Reilly Auto Parts, McDonald's, Aarons, Sonic Drive-In, Dollar General, Domino's and more
- **Nationally Recognized Investment Grade Tenant** – Lease is fully guaranteed by Walgreens Co. (S&P's Rated BBB). The company is ranked #17 on the 2017 Fortune 500.



OFFERING OVERVIEW

Walgreens - Store # 19765
385 Old Gallatin Road
Scottsville, KY



\$5,170,000

LIST PRICE



6.75%

CAP RATE



\$348,953

RENT



Absolute NNN

LEASE TYPE

DEBT QUOTE

LOAN-TO-VALUE:	70%
INTEREST RATE:	4.10%
TERM:	COTERMINOUS WITH REMAINING LEASE TERM
AMORTIZATION:	25 YEARS

25% LIMITED RECOURSE

Please Contact Brian Krebs for More Information

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BARRINGTON CAPITAL
 REAL ESTATE FINANCING SERVICES

EXECUTIVE SUMMARY

PROPERTY ADDRESS

385 Old Gallatin Road
 Scottsville, KY 42164

GLA

± 14,696 SF

LOT SIZE

±2.35 AC (14,696 SF)

YEAR BUILT

2007

APN

1-18-8-3

PARKING RATIO

4.22 : 1,000

WALGREENS LEASE SUMMARY

TENANT

Walgreen CO

TYPE OF OWNERSHIP

Fee Simple

LEASE GUARANTOR

Corporate

LEASE TYPE

NNN

ROOF AND STRUCTURE

Tenant Responsible

ORIGINAL LEASE TERM

20 years

LEASE COMMENCEMENT DATE

8/14/07

LEASE EXPIRATION DATE

2/29/28

TERM REMAINING

8.75 Years

INCREASES

10% Every 10 Years in Options

OPTIONS

Six (6) five (5) year options

ANNUALIZED OPERATING DATA

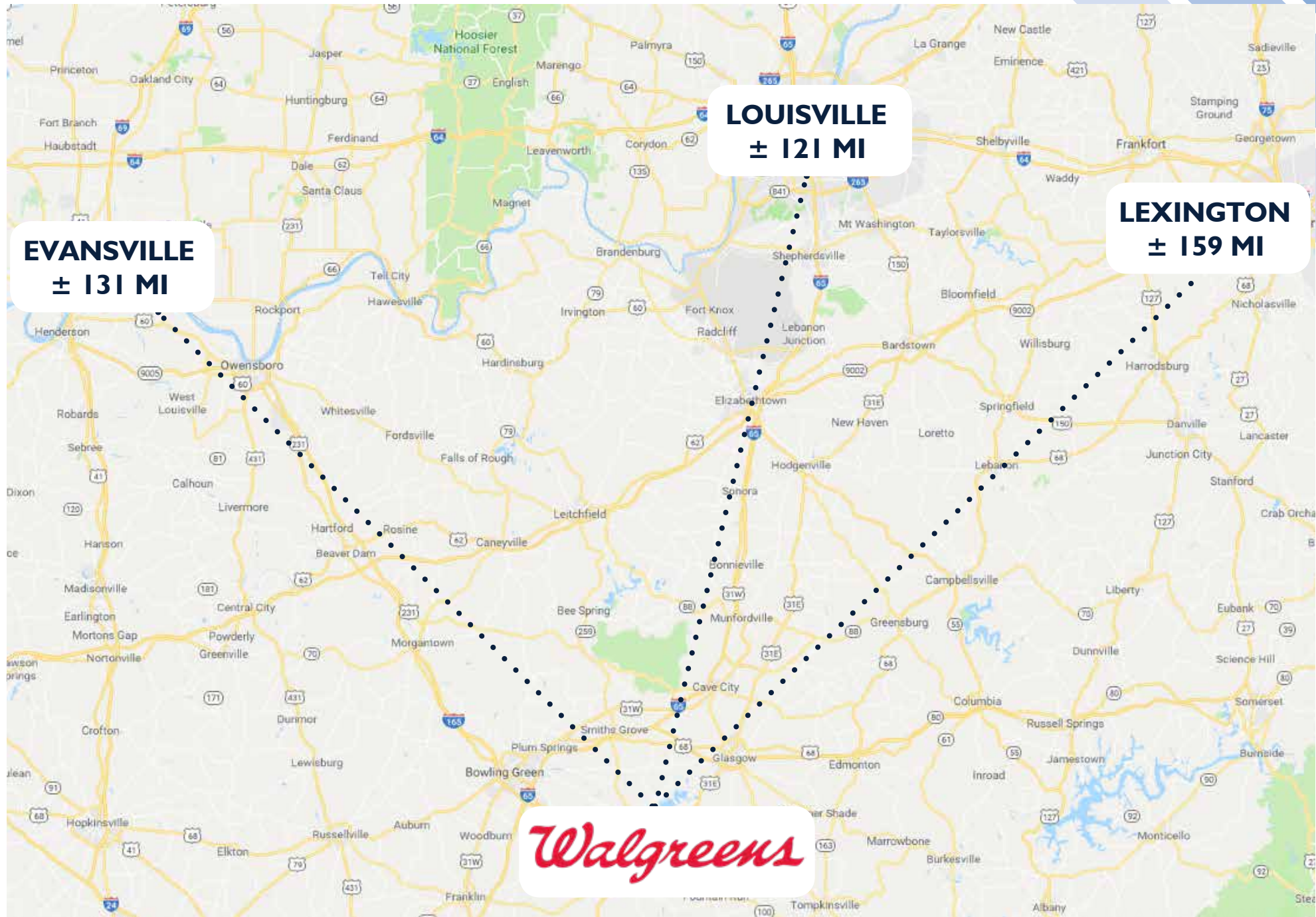
	ANNUAL RENT	MONTHLY RENT	RENT PSF
ORIGINAL TERM	\$348,953	\$29,079.42	\$23.74
FIRST RENEWAL TERM	\$383,848	\$31,987.33	\$26.12
SECOND RENEWAL TERM	\$383,848	\$31,987.33	\$26.12
THIRD RENEWAL TERM	\$422,233	\$35,186.08	\$28.73
FOURTH RENEWAL TERM	\$422,233	\$35,186.08	\$28.73
FIFTH RENEWAL TERM		Fair Market Rent	
SIXTH RENEWAL TERM		Fair Market Rent	

LEASE ABSTRACT

TENANT:	WALGREEN CO., a Illinois corporation
TENANT ADDRESS	104 Wilmont Rd., Deerfield, IL 60015
PROPERTY ADDRESS	2401 West Northwest Corner of Old Gallatin Road and Highway 980, Scottsville, Kentucky
BUILDING SIZE	14,696 Square Feet
PARCEL SIZE	2.35 Acres or 102,270 Square Feet +/-
WALGREENS STORE NUMBER	19765
DATE OF ASSIGNMENT TO WALGREENS	January 19, 2018
LEASE COMMENCEMENT	August 14, 2007
LEASE EXPIRATION	February 29, 2028
ORIGINAL LEASE TERM	20 years
OPTION TO EXTEND	Six (6) five (5) year renewal periods
OPTION NOTICE	Six (6) months prior to a termination option
FIXED RENT	\$348,953.00 annually / \$29,079.42 monthly
PARKING LOT	Tenant, at Tenant's sole cost and expense, shall maintain, repair and replace the parking areas of the Leased Premises.
MAINTENANCE AND REPAIRS	During the Lease Term and any extension, Tenant shall be responsible, at its sole cost and expense, for the maintenance, repair, and replacement of the: (a) roof (including the roof membranes); (b) sidewalks; (c) masonry walls; (d) foundations; (e) plumbing; (f) pipes, tubes, and other conduits and utility lines leading to or from the Leased Premises or embedded into the structure of the Leased Premises, etc. Landlord to have no maintenance and repair responsibility.
REAL ESTATE TAXES	Tenant to pay all real estate taxes
INSURANCE	Tenant to carry special form coverage insurance.
UTILITIES:	Tenant to pay for all utilities
TENANT ASSIGNMENT AND SUBLETTING	Tenant's interest may be assigned, or may sublet a portion of the Leased Premises, without Landlord's consent.
RIGHT OF FIRST REFUSAL	None
ESTOPPEL	Tenant to deliver upon fifteen (15) days of request



REGIONAL MAP



AREA OVERVIEW

SCOTTSVILLE, KY

Scottsville is a home rule-class city in Allen County, Kentucky. This progressive city it's comfortably located in the Mississippi Plateaus. The city is bordered by the Barren River Lake. The lake is a 10,000 acre TVA floor control compound where locals often enjoy recreational activities. Scottsville is located close enough to larger cities of Bowling Green and Nashville that residents and businesses are able to benefit from their surroundings while maintaining a rural lifestyle.



POPULATION

	3-Mile	5-Mile	7-Mile
2000 Census	5,994	8,749	11,802
2010 Census	6,390	9,556	13,039
2019 Estimate	6,568	9,994	13,719
2024 Projection	6,675	10,238	14,095
Growth 2019-2024	1.63%	2.44%	2.74%

HOUSE HOLDS

	3-Mile	5-Mile	7-Mile
2000 Census	2,438	3,507	4,662
2010 Census	2,660	3,900	5,231
2019 Estimate	2,746	4,105	5,541
2024 Projection	2,795	4,214	5,706
Growth 2019-2024	1.78%	2.65%	2.98%

INCOME

	3-Mile	5-Mile	7-Mile
Average HH Income	\$51,737	\$55,025	\$56,154
Median HH Income	\$41,517	\$43,697	\$43,963



TENANT OVERVIEW



Company Name

- Walgreens Boots Alliance



Year Founded

- 1901



Headquarters

- Deerfield, IL



Ownership

- Public



Industry

- Drug Store



S&P Credit Rating

- BBB

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The Company's heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.



Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. 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 415,000 people. The Company is a global leader in pharmacy-led, health and wellbeing retail and, together with its equity method investments, has more than 18,500 stores in 11 countries as well as one of the largest global pharmaceutical wholesale and distribution networks.

WBA U.S. prescription revenues grew in 2017. Its same-store prescription growth was much higher than its peers' growth. This reflects its aggressive participation in commercial and Medicare Part D narrow networks. Three notable transactions boosted Walgreens' pharmacy revenues in 2017 and will also affect 2018 figures: its acquisition of Rite Aid stores, the formation of AllianceRx Walgreens Prime, and its minority investment in PharMerica.

Confidentiality Agreement & Disclaimer

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **385 Old Gallatin Road Scottsville, KY** ("Property"). It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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