



Offering Memorandum

**WALGREENS**  
**2435 E GREENWAY PARKWAY**  
**PHOENIX, AZ 85032**

Marcus & Millichap



DEER VALLEY TOWNE CENTER

AMC THEATRES TARGET PETSMART  
 ROSS STORES, INC. Starbucks Chick-fil& chiji's  
 WILD FLORWER noodles Michaels  
 EAT. SIP. ENJOY. WORLD KITCHEN Where Creativity Happens.

PARADISE VALLEY COMMUNITY COLLEGE  
 A MARICOPA COMMUNITY COLLEGE  
 Black Mountain

DESERT RIDGE  
 MARKETPLACE

THE HOME DEPOT 99c ONLY STORES. Carls Jr.  
 Jack in the box DISCOUNT TIRE  
 Pizza Hut MCDONALD'S Starbucks

MAYO CLINIC

Walmart Supercenter KOHL'S BIG 5  
 Sam's CLUB DOLLAR TREE LONG JOHN SILVER'S SONIC

SPROUTS FARMERS MARKET TARGET Marshalls.  
 planet fitness SAFEWAY KENNEDY BROS. BAGELS  
 LA FITNESS SONIC  
 HOBBY LOBBY Tuesday Morning OfficeMax  
 PEI WEI DICKY'S BARBECUE PIT chiji's

Walgreens

Harkins THEATRES LA FITNESS  
 Fry's Marketplace HARBOR FREIGHT TOOLS DOLLAR TREE

Walmart Supercenter BIG LOTS!  
 CUPPOTE COFFEEHOUSE rubio's COASTAL GRILL THE HOME DEPOT  
 petco Arbys  
 Payless SHOE SOURCE Wendy's  
 FRY'S FOOD STORES TACO BELL

paradise valley mall

TARGET Tuesday Morning HomeGoods Stearns Mart  
 Walmart Supercenter Canes Chicken Fingers CVS pharmacy HOBBY LOBBY  
 Panera Bread Michaels BEST BUY Dr. Jax's PIZZA BISTRO SPROUTS FARMERS MARKET the Habit BURGER GRILL Party City TJ-maxx  
 Where Creativity Happens. NOBODY HAS MORE PARTY FOR LESS.



FAMILY DOLLAR



N CAVE CREEK RD  
24,600 CPD



CAR WASH  
UNDER CONSTRUCTION

E GREENWAY PKWY  
30,600 CPD

*Walgreens*



*Walgreens*

FAMILY DOLLAR

ExtraSpace Storage



N CAVE CREEK RD  
24,600 CPD

E GREENWAY PKWY  
30,600 CPD



CAR WASH  
UNDER CONSTRUCTION

**WALGREENS**

2435 E Greenway Parkway  
Phoenix, AZ 85032

FINANCIAL SUMMARY	
Price	\$2,240,000
Down Payment	100% \$2,240,000
Cap Rate	6.25%
Building SF	13,905 SF
Net Cash Flow	6.25% \$140,000.04
Year Built	1999
Lot Size	2.64 Acres

THE HUMAN BEAN LEASE SUMMARY	
Lease Type	Double-Net (NN) Lease
Tenant	Walgreen Co.
Roof & Structure	Landlord Responsible
Original Lease Commencement Date	June 19, 1998
Lease Expiration Date	April 30, 2054
Effective Lease Term Expiration	April 30, 2024
Rental Increases	See Chart
Tenant Right to Terminate	Tenant's Option Every 5 Years After Initial 20 Year Term
Right of First Refusal	Tenant's Option within 15 Days After Receipt of Landlord's Notice of Bona Fide Offer

ANNUALIZED OPERATING DATA		
LEASE YEARS	ANNUAL RENT	CAP RATE
5/1/2019 - 4/30/2029	\$140,000.04	6.25%
5/1/2029 - 4/30/2054	\$273,999.96	12.23%

<b>BASE RENT</b>	\$140,000.04
Net Operating Income	\$140,000.04
Total Return	6.25% \$140,000.04



# Walgreens

Walgreens is an American pharmaceutical company which operates the largest drug retailing chain in the United States of America. It specializes in serving prescriptions, health & wellness products, health information and photo services. As of February 29, 2016, the company operated 8,177 stores in all 50 states, the District of Columbia, 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.

Walgreens Boots Alliance is the first global pharmacy-led, health and wellbeing enterprise. Their goal is to help people across the world lead healthier and happier lives. Walgreens Boots Alliance was created through the combination of Walgreens and Alliance Boots in December 2014. This transaction brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted healthcare services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

The Company, together with its equity method investments, has a presence in more than 25 countries, employs more than 370,000 people and is the largest retail pharmacy, health and daily living destination in the USA and Europe, and is:

- A global leader in pharmacy-led, health and wellbeing retail with over 13,100 stores in 11 countries
- One of the world's largest purchasers of prescription drugs and many other health and wellbeing products

[www.walgreens.com](http://www.walgreens.com)



INVESTMENT HIGHLIGHTS

- Recently Extended Corporate Lease with Walgreens – Investment Grade Tenant
- Excellent Visibility Near the Intersection of Greenway Parkway and Cave Creek Road – 55,000+ CPD
- 307,284 Residents in Growing North Phoenix Trade Area
- Surrounded by National Retailers – The Home Depot, Family Dollar, McDonald’s, Taco Bell, Jack-in-the-Box, and More
- Approx. 1 Mile Off State Route 51 – a Major Connector for the Phoenix Area
- Bordered by Paradise Valley, an Affluent Community and One of Arizona’s Premier Tourist Destinations
- Less Than 3 Miles South of Paradise Valley Hospital and Paradise Valley Community College
- Average Household Income Exceeds \$85K in 5-Mile Radius
- Strong Daytime Population – 269,400+ Employees in Surrounding Area

DEMOGRAPHIC REPORT

Population	1-Mile	3-Miles	5-Miles
2023 Projection	23,163	150,284	314,484
2018 Estimate	22,529	147,114	307,284
Growth 2018 - 2023	2.81%	2.16%	2.34%
Households	1-Mile	3-Miles	5-Miles
2022 Projections	8,507	63,787	131,455
2018 Estimate	8,123	61,407	126,418
Growth 2018 - 2023	4.72%	3.88%	3.98%
Income	1-Mile	3-Miles	5-Miles
2018 Est. Average Household Income	\$59,464	\$76,437	\$85,370
2018 Est. Median Household Income	\$41,901	\$55,929	\$59,616
2018 Est. Per Capita Income	\$21,478	\$31,999	\$35,241

LOCATION OVERVIEW

The Phoenix metro consists of Maricopa and Pinal counties, and includes more than 30 incorporated and more than 30 unincorporated towns and cities. Since 2000, the population in the metro increased by more than 38 percent. The largest city is Phoenix, which encompasses about 520 square miles, is the capital city and boasts a population of more than 1.5 million.

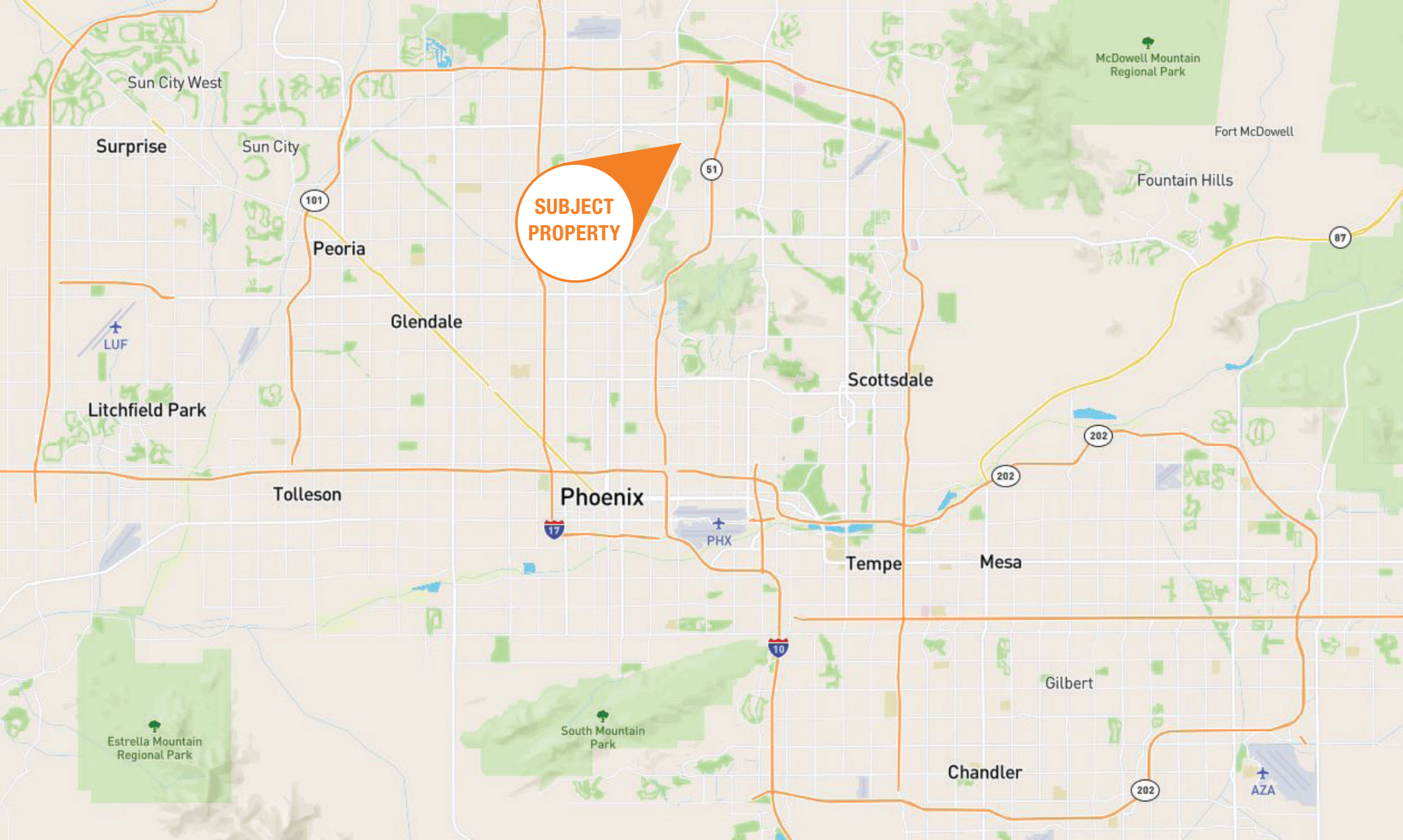
As one of the primary beneficiaries of the massive shift in the U.S. population from north to south, the Phoenix metro has had little difficulty finding workers. Phoenix claims five Fortune 500 headquarters, including Freeport-McMoRan, Republic Services, Insight Enterprises, Avnet and PetSmart. Construction, high-tech manufacturing, healthcare and tourism dominate the Phoenix economy. The local economy has strengthened since the recession, with retail sales projected above 8 percent this year and hotel occupancy levels rising.

High-tech manufacturing has been a powerful driver in the local economy for two decades. The region’s relatively low cost of doing business has encouraged several manufacturers to remain and expand in the area, while luring others. The strengthening economy has drawn job seekers to the area, boosting the housing market. Phoenix offers a lower cost of living than other metros its size, a moderate climate, and a wide variety of recreational and cultural activities.

The Phoenix region boasts almost 300 days of sunshine annually, low humidity and mild winters. In addition to hiking, camping and boating, sports enthusiasts can enjoy one of the most complete lineups of major league teams found in any city, including teams in all four major sports. The Cactus League holds spring training baseball throughout the Valley, and the area has numerous golf courses and tennis courts.







6 MILES  
 Scottsdale Quarter  
 & Kierland Commons

16 MILES  
 Phoenix Sky Harbor  
 International Airport

18 MILES  
 Downtown  
 Phoenix

21 MILES  
 Arizona State  
 University

## Net Leased Disclaimer

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

**By accepting this Marketing Brochure, you agree to treat the information contained herein regarding the lease terms as confidential and proprietary and to only use such information to evaluate a potential purchase of this net leased property.**

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.

## Confidentiality Agreement

The information contained in the following offering memorandum is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and it should not be made available to any other person or entity without the written consent of Marcus & Millichap. By taking possession of and reviewing the information contained herein the recipient agrees to hold and treat all such information in the strictest confidence. The recipient further agrees that recipient will not photocopy or duplicate any part of the offering memorandum. If you have no interest in the subject property at this time, please return this offering memorandum to Marcus & Millichap.

This offering memorandum has been prepared to provide summary, unverified financial and physical 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, PCBs or asbestos, the compliance with local, 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 offering memorandum 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. Prospective buyers shall be responsible for their costs and expenses of investigating the subject property.

**ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONTACT THE MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**

exclusively listed

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