

# WALGREENS

## EXCLUSIVE NET-LEASE OFFERING



# OFFERING MEMORANDUM

*Walgreens*

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The Walgreens logo is written in a red, cursive script font.

1880 South Limestone Street - Springfield, OH 45505



# Table of Contents

Investment Highlights	4
Financial Analysis	5
Tenant Overview	6
Surrounding Area	7
Location Overview	8
Property Photo	9
Local Map	10
Regional Map	11
Demographics / Market Overview	12-13

*Walgreens*





# Investment Highlights

PRICE: \$4,800,000 | CAP: 7.00% | RENT: \$336,000

*Walgreens*

## About the Investment

- ✓ Long-Term, 25-Year Absolute Triple Net (NNN) Lease With 7.75 Years Remaining
- ✓ Ten (10), Five (5)-Year Tenant Renewal Options
- ✓ Corporate Tenant | Corporate Guarantee

## About the Location

- ✓ Dense Retail Corridor | Kroger, Big Lots!, Family Dollar, Taco Bell, Popeye's, McDonald's, Hardee's, Burger King, Dunkin' Donuts and More
- ✓ Strong Academic Presence | Within One Mile of Clark State Community College, Springfield Campus | Over 5,600 Students Enrolled
- ✓ Strong Traffic Counts | Over 22,000 and 62,000 Vehicles Per Day Along South Limestone Street and I-70
- ✓ Hotel Accommodations Within Immediate Area | Hampton Inn & Suites, Comfort Inn, Holiday Inn Express, Red Roof Inn, and Motel 6
- ✓ Strong Demographics | Population Exceeds 121,200 Within a Ten-Mile Radius

## About the Tenant / Brand

- ✓ Walgreens is One of the Nation's Largest Leading Drugstore Chains
- ✓ Walgreens Operates 8,100 Drugstores with a Presence in all 50 States, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.
- ✓ Walgreens Also Manages More Than 400 Healthcare Clinics and Provider Practice Locations Around the Country.
- ✓ Publicly Traded on the NYSE Under the Ticker Symbol 'WBA'
- ✓ BBB Credit Guaranty



Representative Photo



Representative Photo





# Financial Analysis

PRICE: \$4,800,000 | CAP: 7.00% | RENT: \$336,000

*Walgreens*

## PROPERTY DESCRIPTION

Property	Walgreens
Property Address	1880 South Limestone Street
City, State, ZIP	Springfield, OH 45505
Year Built / Renovated	2001
Building Size	14,490
Lot Size	+/- 1.00 Acres
Type of Ownership	Fee Simple

## THE OFFERING

Purchase Price	\$4,800,000
CAP Rate	7.00%
Annual Rent	\$336,000
Price / SF	\$331
Rent / SF	\$23.19

## LEASE SUMMARY

Property Type	Net-Leased Drug Store
Tenant/Guarantor	Corporate
Original Lease Term	25 Years
Lease Commencement	January 1, 2002
Lease Expiration	December 31, 2026
Lease Term Remaining	7.75 Years
Lease Type	Absolute Triple Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Ten (10), Five (5)-Year Renewal Options

## RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year(s) 1 - 25	\$336,000	\$28,000	-

## INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Walgreens located at 1880 South Limestone Street in Springfield, Ohio. The site constructed in 2001, consists of roughly 14,490 rentable square feet of building space on estimated 1.00 acre parcel of land.

Walgreens is subject to a 25-year triple-net (NNN) lease, which commenced on January 1, 2019. The annual rent is \$336,000. There are ten (10), five (5)-year tenant renewal options, extending the total possible lease term to 75 years.



Subject Property



# Tenant Overview

**CREDIT RATING: BBB**

## General Information

Address	1880 South Limestone Street - Springfield, OH 45505
Phone	(908) 372-0466
Website	<a href="http://www.walgreens.com">www.walgreens.com</a>

## Company Financial Highlights

Store Count (as of 6/1/2018)	14,500
TTM Sales	\$124,028,000,000
Stock Ticker	WBA
Average Store Size	13,900 Square Feet

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 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 385,000\* 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 more than 14,500\*\* stores in 11\* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 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 largest purchasers of prescription drugs and many other health and wellbeing products.

*Walgreens*



Walgreens Boots Alliance



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.

Walgreens Boots Alliance is included in Fortune magazine's 2018 list of the World's Most Admired Companies. This is the 25th consecutive year that Walgreens Boots Alliance or its predecessor company, Walgreen Co., has been named to the list.

More company information is available at [www.walgreensbootsalliance.com](http://www.walgreensbootsalliance.com)

\* As of 31 August 2017, using publicly available information for AmerisourceBergen.

\*\* As of 28 June 2018.

\*\*For 12 months ending 31 August 2017, using publicly available information for AmerisourceBergen.

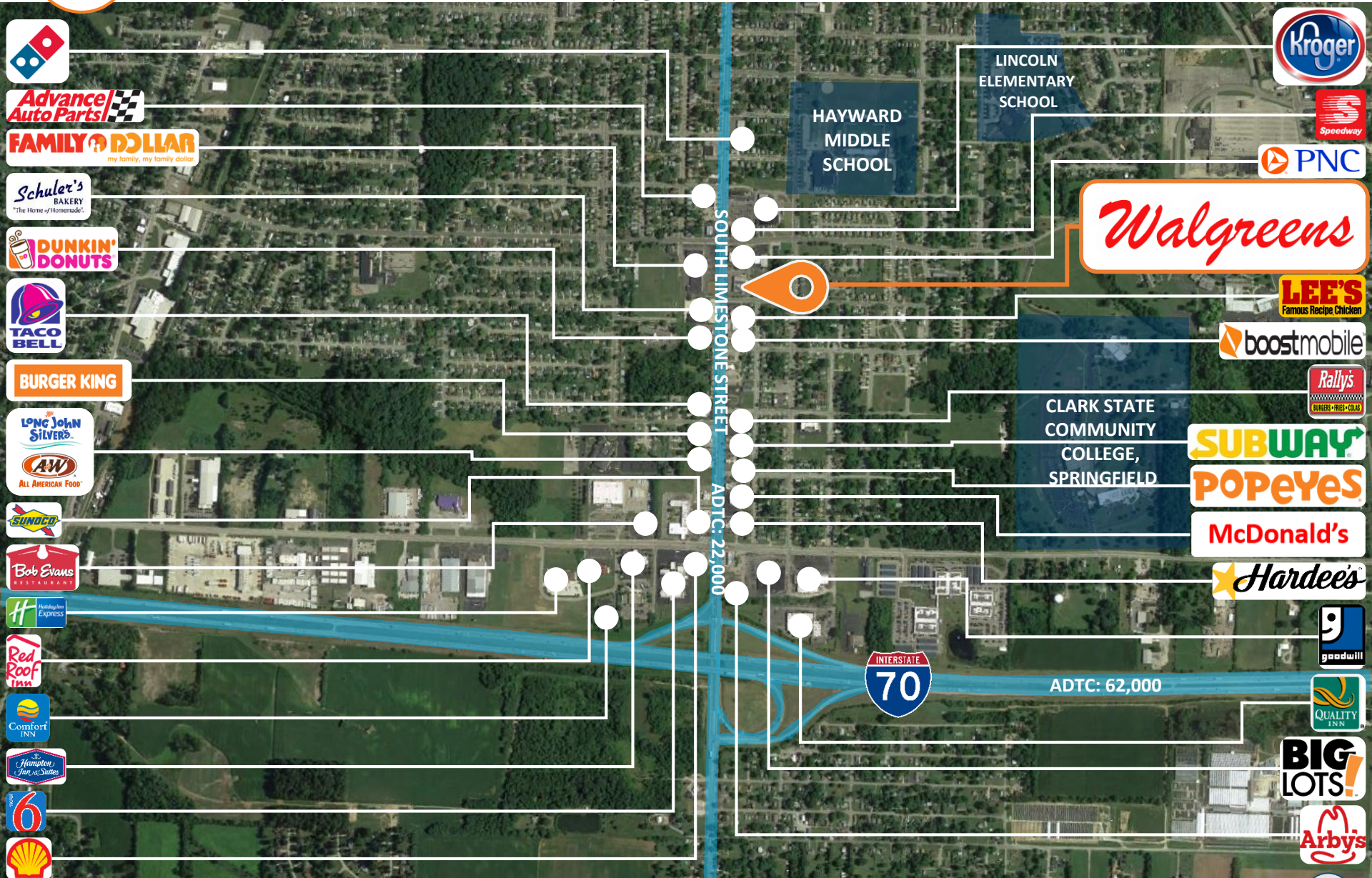




# Surrounding Area

Property Address: 1880 South Limestone Street - Springfield, OH 45505

*Walgreens*







# Location Overview

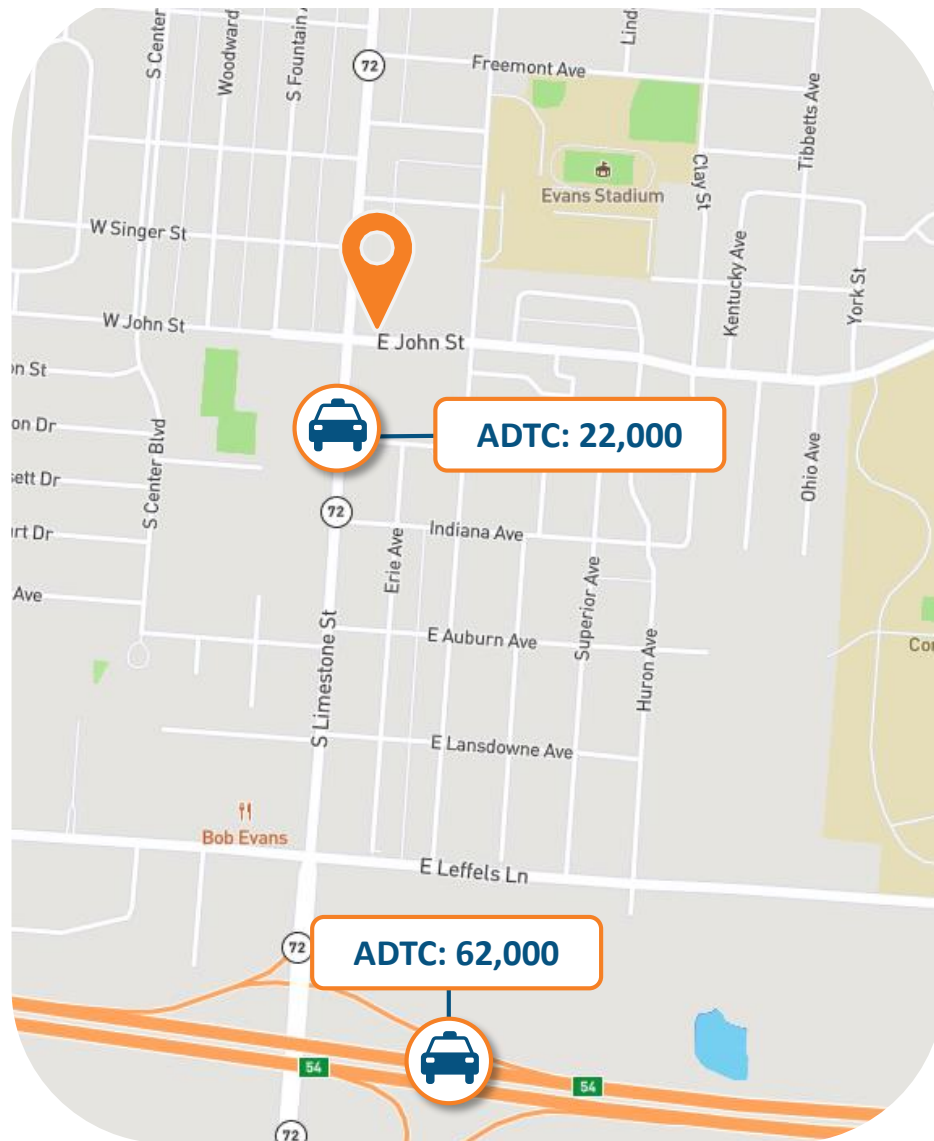
Property Address: 1880 South Limestone Street - Springfield, OH 45505

*Walgreens*

This Walgreens is situated on 1880 South Limestone Street in Springfield, Ohio. Limestone Street boasts average daily traffic counts exceeding 22,000 vehicles. Limestone Street also directly intersects with Interstate-70 which brings an additional 62,000 vehicles into the immediate area per day, respectively. There are more than 74,800 individuals residing within a five-mile radius of the property and more than 121,200 individuals within a ten-mile radius.

This Walgreens benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, hotels, and schools, all within close proximity of this property. Major national tenants include: Kroger, Big Lots!, Family Dollar, Taco Bell, Popeye's, McDonald's, Hardee's, Burger King, Dunkin' Donuts, as well as many more. There are also numerous hotel accommodations in the area with names such as Hampton Inn & Suites, Comfort Inn, Holiday Inn Express, Red Roof Inn, and Motel 6. This Walgreens also benefits from being situated within a five-mile radius of several academic institutions, including Springfield High School and Fulton Elementary School, which have a combined total enrollment exceeding 2,100 students. It is also situated within walking distance of Hayward Middle School and Lincoln Elementary School, which have a combined total enrollment exceeding 700 students. Most notably, Clark State Community College, Springfield Campus is located within one-mile of the subject property and has a total enrollment exceeding 5,600 students.

Springfield is a city and the county seat of Clark County. The municipality is located in southwestern Ohio and situated on the Mad River, Buck Creek and Beaver Creek, approximated 45-miles west of Columbus, Ohio. Springfield's strongest business clusters represent food, automotive aerospace, financial services, logistics, data and advanced technology. The community's core strengths are access to robust gas, electric, water, sewer and telecommunications networks. In addition, Springfield's strategic location on Interstate-70 provides a logistical advantage with access to over 60% of the U.S. population within 600-miles. Springfield Public Schools enroll 8,604 students in public primary and secondary schools. The district operates 16 public schools including ten elementary schools, three middle schools, one high school, and one alternative school. Springfield is home to two institutions of higher learning, Wittenberg University, and Clark State Community College. Both combine to enroll approximately 7,500 students.







# Property Photo

*Walgreens*







*Walgreens*



### Springfield-Beckley Municipal Airport (SGH)

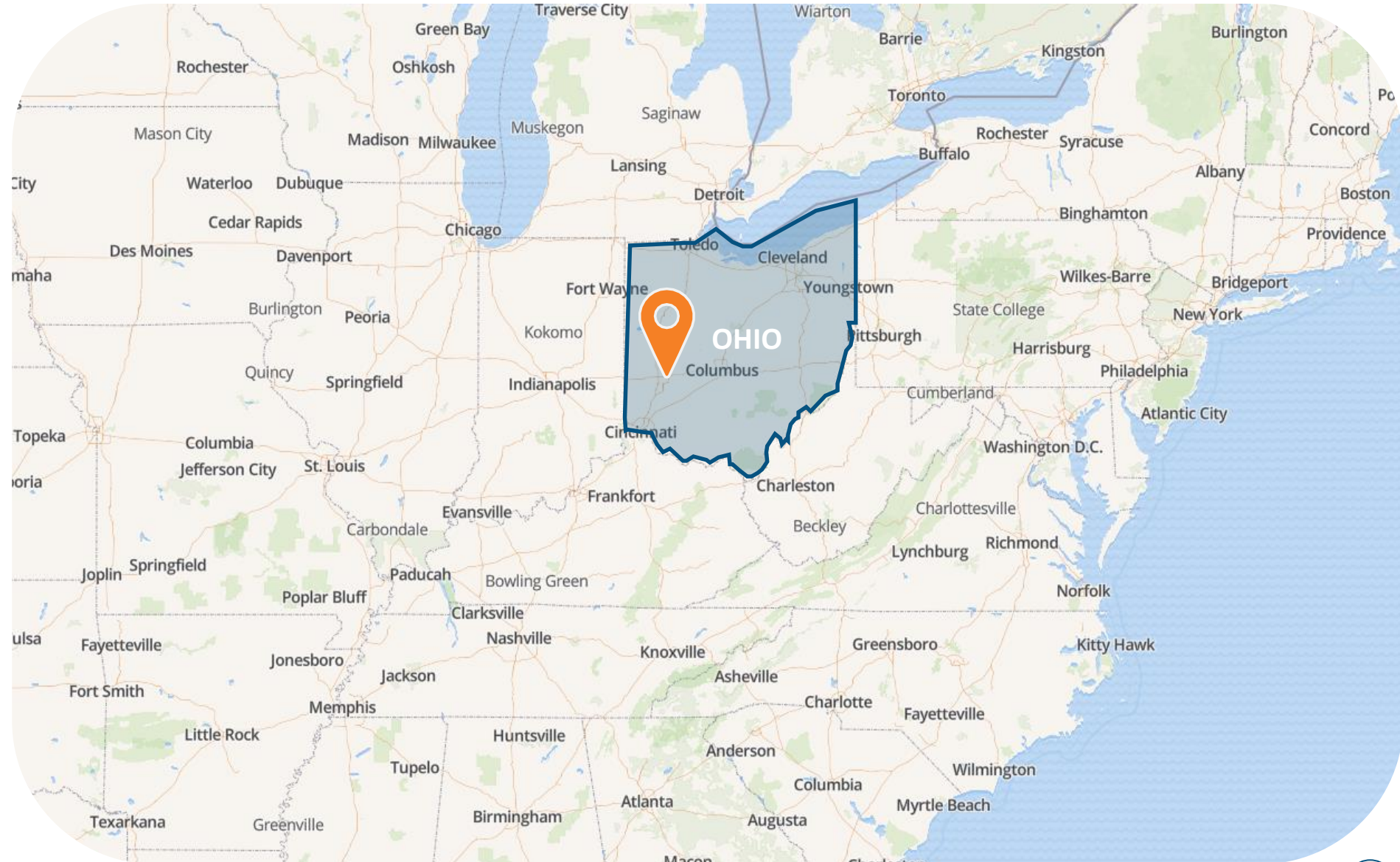




# Regional Map

Property Address: 1880 South Limestone Street - Springfield, OH 45505

*Walgreens*

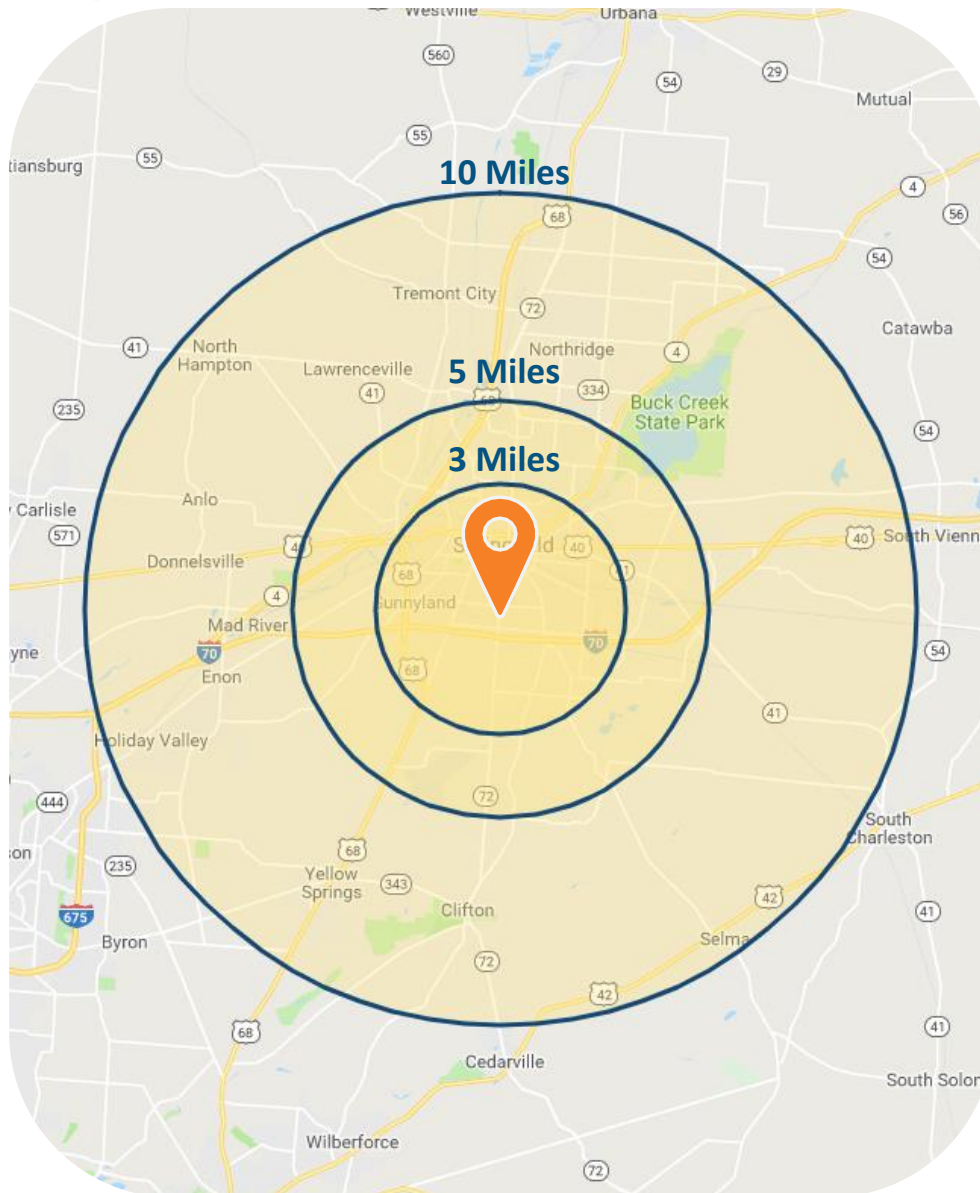




# Demographics

Property Address: 1880 South Limestone Street - Springfield, OH 45505

*Walgreens*



## POPULATION

2018 Estimate

3 Miles	5 Miles	10 Miles
49,724	74,871	121,234

## INCOME

Average  
Median  
Per Capita

\$46,088	\$55,561	\$64,345
\$33,243	\$39,616	\$48,094
\$17,996	\$22,565	\$26,283

## HOUSEHOLDS

2018 Estimate

18,917	29,897	48,937
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## HOUSING

2018

\$78,720	\$94,898	\$123,811
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## EMPLOYMENT

2018 Daytime Population

54,489	78,501	119,031
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2018 Unemployment

7.85%	6.59%	5.41%
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2018 Median Time Traveled

21 Mins	22 Mins	23 Mins
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## RACE & ETHNICITY

White  
Native American  
African American  
Asian/Pacific Islander

71.97%	77.87%	83.88%
0.04%	0.04%	0.05%
19.88%	14.97%	10.18%
0.36%	0.80%	0.83%





# Market Overview

City: Springfield | County: Clark | State: Ohio

*Dayton, Ohio*

**Dayton** is the sixth-largest city in the state of Ohio and the county seat of Montgomery County. Kettering is located less than seven-miles from downtown Dayton, which is the sixth-largest city in Ohio. A small part of the Dayton extends into Greene County. The 2017 U.S. census estimate put the city population at 140,371, while Greater Dayton was estimated to be at 803,416 residents. This makes Dayton the fourth-largest metropolitan area in Ohio and 63<sup>rd</sup> in the United States. Dayton is within Ohio's Miami Valley region, just north of Greater Cincinnati.

Ohio's borders are within 500 miles of roughly 60 percent of the country's population and manufacturing infrastructure, making the Dayton area a logistical centroid for manufacturers, suppliers, and shippers. Dayton also hosts significant research and development in fields like industrial, aeronautical, and astronautical engineering that have led to many technological innovations. Much of this innovation is due in part to Wright-Patterson Air Force Base and its place in the community. Dayton's businesses have diversified into a service economy that includes insurance and legal sectors as well as healthcare and government sectors.

## Major Employers

Employer	Estimated # of Employees
International Truck & Eng Corp	1,500
Commissioners Clark County	1,300
Community Hosp Schl Nursing	1,300
Clark State Community College	1,116
178th Fighter Wing	1,000
Mercy Medical Center	868
Speedway LLC	753
County of Clark	591
Walmart	550
Kroger	522
First Diversity Staffing Group	500
Masonic Healthcare Inc	500



## EXCLUSIVE NET LEASE OFFERING

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