

# WALGREENS

FOOTHILLS PROMENADE

3999 Foothills Boulevard, Roseville CA 95747

**Single Tenant**  
**Northern CA**  
Investment Offering

**\$5,750,000**

**Yr. 1 - 6.5%\***

**2019 - 7.15%**

\*unleveraged cap rate



**Roseville CA**



# WALGREENS

3999 FOOTHILLS BLVD. ROSEVILLE CA 95747

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## OFFERING MEMORANDUM

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BRE License #: 00979522

## DISCLAIMER

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This is a confidential Memorandum intended solely for your limited use and benefit in determining whether you desire to express further interest in the acquisition of the subject Property.

Prior to submission of an offer to purchase the Property, interested parties should perform and rely upon their own investigations, analyses, estimates and projections and otherwise satisfy any concerns regarding material aspects of the proposed transaction including, but not limited to, legal, municipal, environmental, operations, seismic, financial and physical issues, and all other matters affecting or pertaining to the Property. The Seller will be offering the Property including all appurtenances and improvements, solely on an "As-Is, Where-is", basis without any representation or warranties. No person is authorized to make any representation or warranties on behalf of Seller regarding the Property. Any and all information regarding the Property provided to any interested party by the Seller or its exclusive Advisor, including all information contained in the Offering, is provided without any representation or assurance, express or implied, regarding the accuracy, completeness or current status of applicability of such information or shall be relied on as a promise or representation as to the future performance of the Property. The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. All financial projections are based on assumptions relating to the general economy, competition, and other factors beyond the control of the Owner and its Advisor and, therefore, are subject to material variation. This Marketing Package does not constitute an indication that there has been no change in the business or affairs of the Property or the Owner since the date of preparation of the information herein.

Additional information and an opportunity to inspect the Property will be made available to interested and qualified prospective buyers. Each interested party is expected to undertake such reviews and investigations and make such inquiries as such party may believe to be necessary, appropriate or advisable for the purpose of forming a decision to make an offer to acquire the Property. Neither the enclosed materials nor any information contained herein is to be used for any other purpose or made available to any other person without the express written consent of the Seller.

The Seller expressly reserves the right, in its sole discretion, to reject any oral expressions of interest or offers to purchase the Property and/or to terminate discussions with an entity at any time with or without notice which may arise as a result of review of this Memorandum. The Seller shall have no legal commitment or obligation to any entity reviewing this Memorandum or making an offer to purchase the Property unless and until written agreement(s) for the purchase of the Property have been fully executed, delivered and approved by the Seller and any conditions to the Seller's obligations therein have been satisfied or waived.

The material contained herein is confidential and is presented strictly as information for the exclusive use of the prospective Investor. Receipt and review of this Offering by the prospective investor constitutes an agreement not to divulge, share, and copy or to distribute the information to any other party, except the prospective Investor's legal counsel and financial advisors, without the specific written authorization of the Seller or its Advisors. Furthermore, the recipient shall not contact employees or tenants of the Property





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CCRE Advisors is pleased to offer the sale of a free standing single tenant Walgreen's located as part of the Foothills Promenade development in Roseville, California. Located in Placer County, Roseville is a suburb of the Sacramento Metro area, approximately 400mi from Los Angeles, 100 miles from San Francisco, and 16miles north of downtown Sacramento California.

The offering consists of a single story 15,120sf building constructed in 1999 and leased to national credit tenant Walgreen's on an original **60yr. NN** lease. The individual parcel is approximately 1.6acre site and provides for 72 exclusive parking spaces. The retail trade area consists of a population density over 98,000 in a 3mi radius and 290,000 in a 5 mile radius with high average incomes of over \$83,000. Major & national retailers nearby include **McDonald's, Starbucks, Panda Express, O'Reilly Auto, Carls Jr., Bank of America, Bel Air and Rite Aid**. Approximately 5 miles from the subject site is the 1.3m sf Roseville Galleria Mall which includes over **246 retailers** and anchored by national retailers **Nordstrom, Macys, JC Penny** and **Sears**. The mall generates over \$12m visitors annually.

The Roseville/Rocklin market is Sacramento's premier suburban retail trade area which attracts shoppers from a wide area as well serving as a strong employment base. The sub-market reflected a **7.5% vacancy for 2015** year end; and **7% vacancy for Placer County**, respectively. In terms of development, occupancy growth and rental rate growth, the sub-market has been the region's strongest performing trade area since 2000. In the last decade Placer County saw a growth rate of 45% and increase in housing units of nearly 50%, placing it in the top 1% of fastest growing counties in the nation. The City of Roseville was ranked **top 35 best cities** in the U.S. by 24/7 Wall Street among 550 cities with populations of 65,000 or more. Roseville/ Sacramento area was ranked #2 top growth city in U.S. for 2015 by Uhaul International Inc.

The subject offers an investor to enjoy stability of income from a credit tenant with limited management and landlord responsibilities. Landlord has recently repainted the exterior and installed a new roof with a 20 yr. warranty further minimizing any immediate capital expenses. Future income and returns may be enhanced due to scheduled 10% rent increases during each of the successive option periods.

The information contained herein has been obtained from sources we deem reliable. CCRE makes no representation and cannot assume any responsibility for its accuracy.





OFFERING SUMMARY

|                      |   |
|----------------------|---|
| Offering Price:      | \$5,750,000                                 |
| Property Name:       | Walgreens - Foothills Promenade             |
| Address:             | 3999 Foothills Blvd.<br>Roseville, CA 95747 |
| Property Type:       | Single-Tenant Retail                        |
| Year Built:          | 1999  |
| Capitalization Rate: | 6.5%  |
| Net Rentable Area    | 15,120                                      |
| Lot Size:            | +/-1.6ac                                    |

FINANCING SUMMARY

All cash or cash to new financing. Contact Clark CCRE Advisors for additional details about this property.

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## INVESTMENT HIGHLIGHTS

- **100% occupied** single tenant corporate Walgreens
- **Prominent hard corner location** on signalized intersection of Foothills Blvd. and Main St.
- **Outstanding exposure** to over **+/-40,000** cars per day
- **Dense infill location:** proximate to residential households serving **17,000** people in **1mi**; **98,000** in **3mi** and **290,000** in **5mi** radius. High Average household incomes at **\$83k** in 3mi.
- Walgreens out positions adjacent in-line Rite Aid (30k sf - no drive-thru). Nearest Walgreens over 3mi away
- **National** retailers in the immediate trade area include **McDonalds, Panda Express, Starbucks, Carls Jr., O'Reilly Auto, Bank of America.** 5miles from the 1.3m sf **Westfield Roseville Galleria Mall**
- **New +/-60** unit residential project on adjacent 7ac parcel. JMC homes has secured approval and entitlements to build; commencing Q4 2016.

## LEASE HIGHLIGHTS

- **NN Lease** with limited Landlord responsibilities to roof, structure
- **10% rent increases** for each successive 10yr period commencing 2019
- \$374,220 Annual Rent. Low monthly rent per SF (\$2.06/sf)

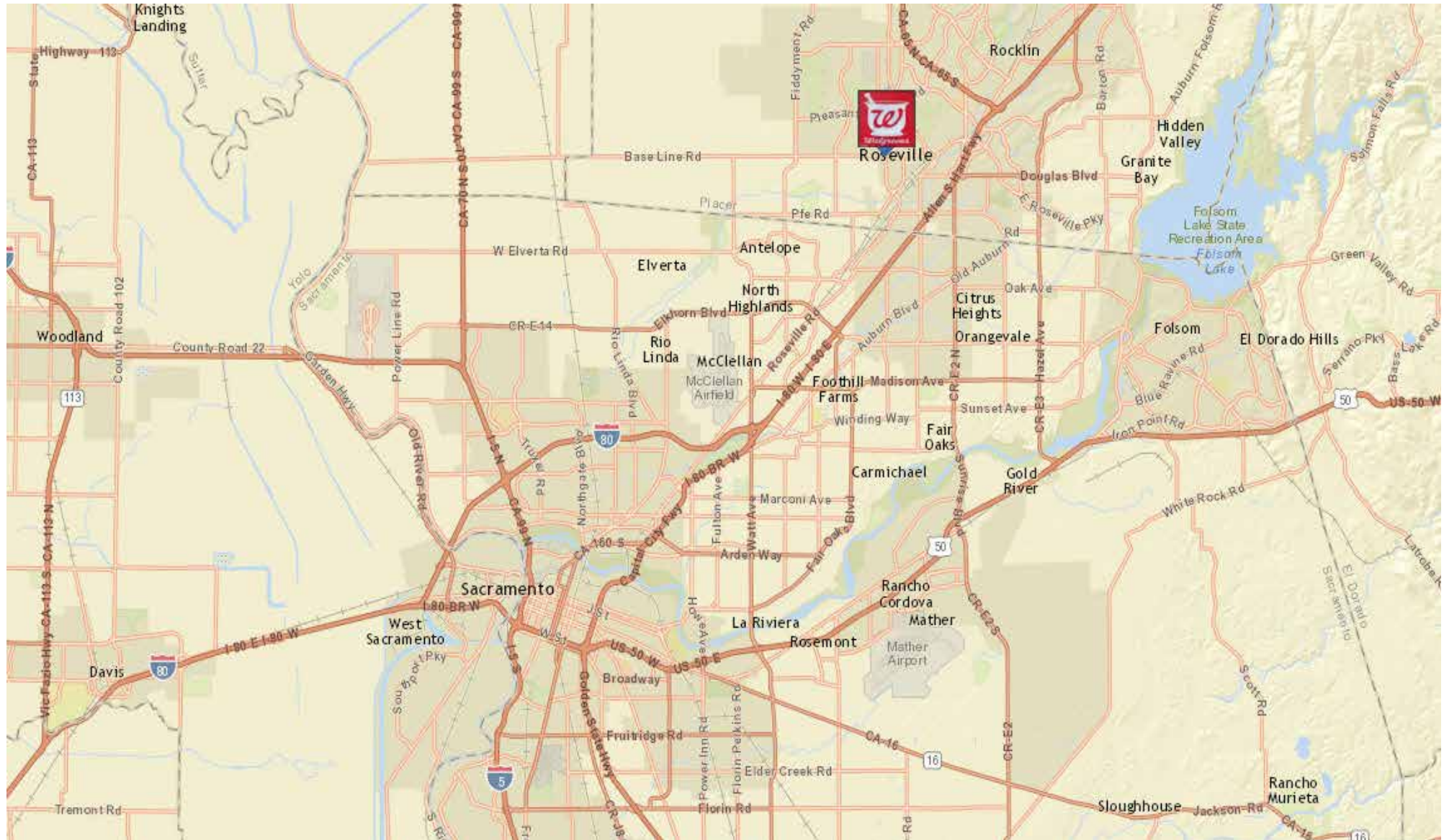
## TENANT HIGHLIGHTS

- **S&P BBB - Investment Grade** Credit Rating
- **Walgreens (NYSE: WAG)** is the largest drugstore chain in the United States with more than \$71 billion in annual sales

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## SITE DESCRIPTION

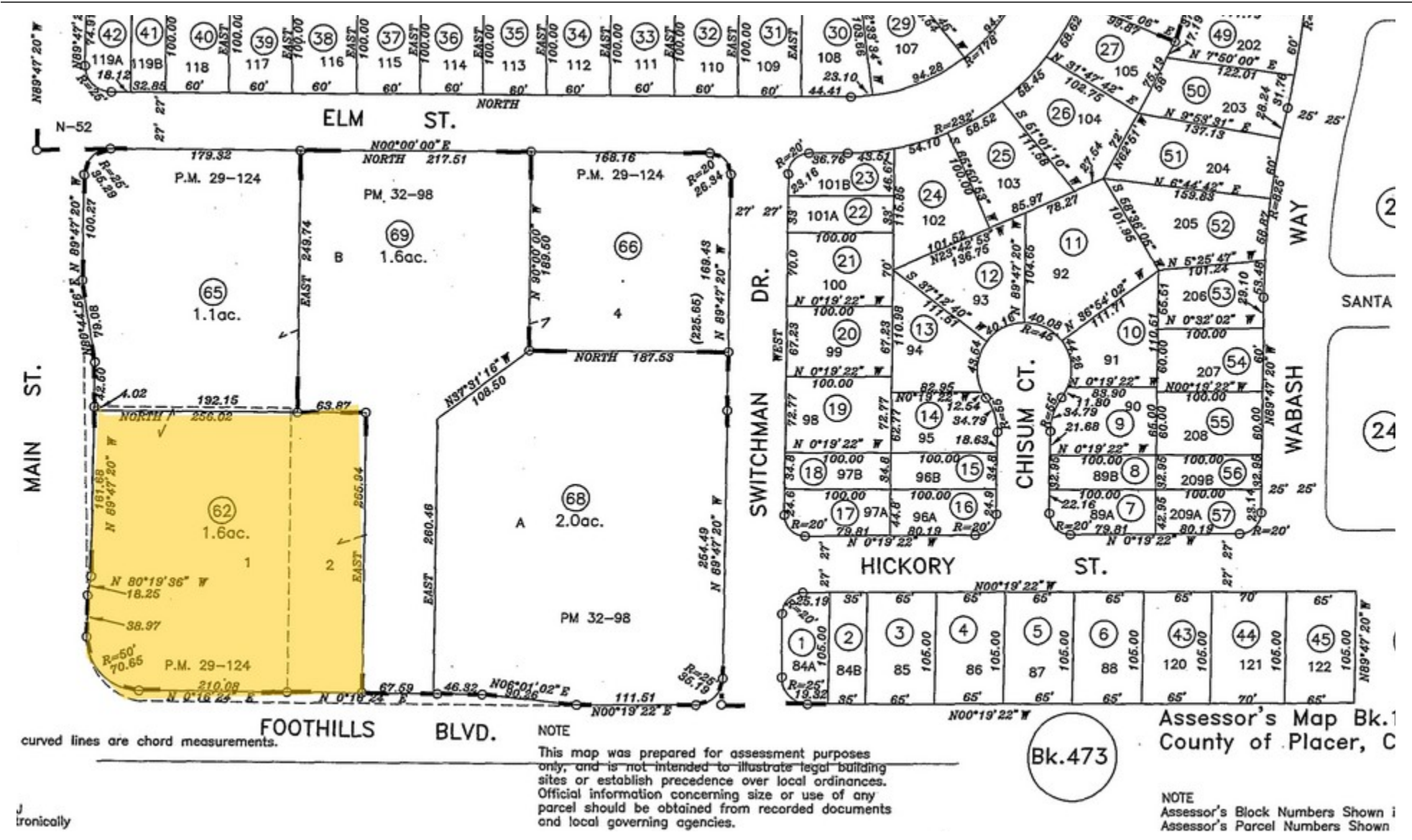
The subject is located on a hard corner signalized intersection at Foothills Blvd and Main St. in Roseville CA. The 15,120 sf building includes 72 exclusive parking spaces for Walgreens in addition to dual drive- thru pharmacy and rear loading access for delivery. Access and main points of entry and exit are located on Foothills Blvd and Main St. Reciprocal easement agreements allow for flexible access to the property as well as adjacent retailers. Property owners are responsible for any maintenance or capital expenses to their individual parcels.

|                              |   |
|------------------------------|---|
| <b>Name:</b>                 | Walgreens                                 |
| <b>City / County:</b>        | Roseville/ Placer                         |
| <b>Address:</b>              | 3999 Foothills Blvd<br>Roseville CA 95747 |
| <b>Parcel #</b>              | 012-250-062                               |
| <b>Land Area:</b>            | ±1.60 ac                                  |
| <b>Parking Spaces</b>        | +/-72                                     |
| <b>Year Built:</b>           | 1999                                      |
| <b>Construction Type:</b>    | Metal / Wood                              |
| <b>Exterior:</b>             | Stucco/Re-painted in 2013                 |
| <b>Foundation:</b>           | Concrete                                  |
| <b>Roof:</b>                 | New 2016 w/ 20yr roof warranty            |
| <b>HVAC:</b>                 | Packaged Roof Mounted                     |
| <b>Security / Fire:</b>      | Fire Monitor & Sprinkler                  |
| <b>EV Charging Stations:</b> | 2 stations                                |

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PARCEL MAP



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**INCOME EXPENSE**

|                                |             |
|--------------------------------|-------------|
| <b>OFFERING PRICE:</b>         | \$5,750,000 |
| Price per Square Foot:         | \$393.52    |
| Capitalization Rate:           | 6.5%        |
| Rentable Area (SF):            | 15,120      |
| <b>STABILIZED INCOME</b>       |             |
| Scheduled Rent:                | \$374,220   |
| Effective Gross Income:        | \$374,220   |
| <b>LESS OPERATING EXPENSES</b> |             |
| Taxes NNN                      | \$0.00      |
| Insurance NNN                  | \$0.00      |
| <b>NET OPERATING INCOME</b>    | \$374,220   |



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## RENT ROLL

| TENANT    | SUITE | SF     | LEASE<br>START | LEASE<br>EXP. | RENT / SF | RENT / MO. | ANNUAL RENT | LEASE<br>TYPE   | INCREASES              |
|-----------|-------|--------|----------------|---------------|-----------|------------|-------------|-----------------|------------------------|
| WALGREENS | 1     | 15,120 | 9/1/1999       | 8/31/2059     | \$2.06    | \$31,185   | \$374,220   | NN <sup>1</sup> | 4 (10yrs) <sup>2</sup> |

TOTAL SQUARE FEET: 15,120

TOTAL AVAILABLE: 0 0% Vacancy

TOTAL OCCUPIED: 15,120 100% Occupancy

## NOTE:

- <sup>1</sup> Landlord responsible for roof (LL has spent \$87k for new roof in 2016 with 20yr warranty), structural portions of building, capital expenses to parking area, etc.
- <sup>2</sup> Walgreen's has first right to terminate after 20yrs and every five (5) years thereafter. 10% rent increases every 10yrs throughout the term of the lease after initial 20yrs.

| Years   | Annual Rent  | Monthly Rent | Cap Rate |
|---------|--------------|--------------|----------|
| Current | \$374,220.00 | \$31,185.00  | 6.5%     |
| 21 - 30 | \$411,642.00 | \$34,303.50  | 7.15%    |
| 31 - 40 | \$452,805.96 | \$37,733.83  | 7.87%    |
| 41 - 50 | \$498,086.04 | \$41,507.17  | 8.66%    |
| 51 - 60 | \$547,895.04 | \$45,657.92  | 9.52%    |

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## AERIAL MAP



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AREA OVERVIEW

Placer County is located in Northern California, 80 miles northeast of San Francisco and 20 miles west of Reno and encompasses approximately 1,400 square miles of diverse geography from Roseville to the Sierra Foothills including Tahoe. The area is one of the fastest growing counties in the US, with a population growth rate of over 45%, which outpaced all counties in California. With population of over 340,000, continued growth is expected in Placer county to outpace the State, Bay Area and Greater Sacramento Area.

The city of Roseville is located 16mi from downtown Sacramento via Interstate 80 and is a growth hub due to it's diverse economy, access to transportation systems and stable infrastructure. A study conducted by 24/7 Wall Street ranked Roseville in the top 35 best cities in the U.S. from among 550 cities with populations of 65,000 or more. The rankings are based on employment growth, access to restaurants and attractions, educational attainment and housing affordability. Other factors included Roseville's growing economy, low crime rate and access to healthcare. Roseville's 4.6% unemployment rate is amongst the lowest in California and the city is one of the least-expensive places to do business in California.

Major corporations continue to relocate to the area due to its favorable business climate, affordable housing, and skilled workforce. Existing corporations that currently are beneficiaries to the area amenities include Kaiser, Hewlett Packard, Oracle Corporation, Ace Hardware and PRIDE industries.

| Top Employers In Roseville                 |                |
|--|----------------|
| Employer                                   | # of Employees |
| Kaiser Permanente                          | 3,231          |
| Hewlett-Packard                            | 2,132          |
| Sutter Roseville Medical Center            | 1,654          |
| Roseville Joint Union High School District | 1,434          |
| Union Pacific Railroad Company             | 1,137          |
| Adventist Health System West               | 1,019          |



## DEMOGRAPHIC PROFILE

| Population         | 1 Mile | 3 Mile  | 5 Mile  |
|--------------------|--------|---------|---------|
| 2020 Population    | 18,743 | 101,717 | 304,892 |
| 2010 Population    | 17,694 | 96,594  | 278,965 |
| 2015 Population    | 17,960 | 98,075  | 290,018 |
| Growth 2015 - 2020 | .86%   | .73%    | 1.01%   |
| Growth 2000 - 2010 | .35%   | 2.28%   | 2.39%   |

| Race & Ethnicity                           | 1 Mile | 3 Mile | 5 Mile |
|--|--------|--------|--------|
| 2015 White Alone                           | 76.4%  | 76.6%  | 74.7%  |
| 2015 Black Alone                           | 2.0%   | 2.7%   | 3.9%   |
| 2015 American Indian / Alaska Native Alone | 1.0%   | 0.9%   | 0.8%   |
| 2015 Asian Alone                           | 6.4%   | 7.7%   | 8.8%   |
| 2015 Pacific Islander Alone                | 0.4%   | 0.4%   | 0.5%   |
| 2015 Other Race                            | 7.8%   | 6.0%   | 6.2%   |
| 2015 Two Or More Races                     | 6.1%   | 5.7%   | 6.2%   |
| 2015 Hispanic Origin (Any Race)            | 22.1%  | 18.2%  | 16.0%  |

| Households              | 1 Mile | 3 Mile | 5 Mile  |
|-------------------------|--------|--------|---------|
| 2020 Total Households   | 7,249  | 38,143 | 111,515 |
| 2015 Total Households   | 6,893  | 36,648 | 106,075 |
| 2010 Households         | 6,704  | 35,906 | 101,961 |
| 2015 - 2020 Annual Rate | 1.01%  | .80%   | 1.01%   |
| 2000 - 2010 Annual Rate | .83%   | 2.24%  | 2.26%   |

| Avg. Household Income      | 1 Mile   | 3 Mile   | 5 Mile   |
|----------------------------|----------|----------|----------|
| 2020 Avg. Household Income | \$84,591 | \$94,296 | \$96,149 |
| 2015 Avg. Household Income | \$76,163 | \$83,967 | \$83,524 |
| 2015 - 2020 Annual Rate    | 2.12%    | 2.35%    | 2.86%    |

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## STREET VIEW



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## ADJACENT RETAIL



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