

# WALGREENS

9250 N COACHLINE BOULEVARD  
MARANA (TUCSON), ARIZONA



OFFERING MEMORANDUM



Marcus & Millichap







# Executive Summary

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$4,222,000</b>
Down Payment	100% \$4,222,000
Cap Rate	6.75%
Building SF	14,332 SF
Net Cash Flow	6.75% \$285,000
Year Built	2002
Land/Lot Size	1.71 Acres

## LEASE SUMMARY

Lease Type	Absolute Triple-Net (NNN) Lease
Tenant	Walgreen Arizona Drug Co
Guarantor	Corporate
Roof & Structure	Tenant Responsible
Lease Commencement Date	October 1, 2002
Lease Expiration Date	September 30, 2077
Effective Lease Term Remaining	8 Years
Rental Increases	None
Renewal Options	10, 5 Year Options
Right of First Refusal	Tenant's Option within 15 Days After Receipt of Landlord's Notice of Bona Fide Offer
Early Termination	Tenant's Option Every 5 Years After Initial 25 Year Term

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 9/30/2077	\$285,000	6.75%

<b>Base Rent</b>	<b>\$285,000</b>
<b>Net Operating Income</b>	<b>\$285,000</b>
<b>Total Return</b>	<b>6.75% \$285,000</b>



TUCSON  
PREMIUM OUTLETS®  
A SIMON CENTER

86,800 CPD  
INTERSTATE-10



**Donation Center**

**PROACTIVE**  
PHYSICAL THERAPY

**CAYP**  
Arizona Youth Partnership

**FOOTHILLS**  
SPORTS MEDICINE  
PHYSICAL THERAPY

**TWIN PEAKS**  
PIZZERIA

**ANYTIME FITNESS**

**Pointe of Grace**  
DANCE & FITNESS

**FOWLER CHIROPRACTIC**

**Dental Village**

**Twin Peaks**  
Veterinary Center

 **CONTINENTAL RANCH**  
COMMUNITY ASSOCIATION  
LIVE GROW WORK PLAY

SUBJECT  
PROPERTY

W TWIN PEAKS ROAD

**Angela's**  
MEXICAN FOOD

**MARANA**  
PHYSICAL THERAPY

N COACHLINE BOULEVARD





SUBJECT  
PROPERTY

N COACHLINE BOULEVARD

W TWIN PEAKS ROAD

Twin Peaks  
Veterinary Center





# Property Description



## INVESTMENT HIGHLIGHTS

- » **Absolute Triple-Net (NNN) Lease** with Walgreens - Investment Grade Tenant
- » 47,766 Residents within 5 Miles of Subject Property
- » **High Growth Area** - Households and Population Projected to Increase 18%+ in 5-Mile Radius Over the Next 5 Years
- » **Less Than 1 Mile Off the I-10 Freeway (86,800+ CPD)**
- » Minutes from Tucson Premium Outlets
- » **Close Proximity to Major National Retailers** - LA Fitness, Dollar Tree, Harkins Theaters, Kohl's, Petco, Safeway, and More
- » **20 Minutes to Downtown Tucson and The University of Arizona (44,800 Students)**
- » Average Household Income Exceeds \$88K in Immediate Area



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2023 Projection	10,731	29,436	54,266
2018 Estimate	9,092	24,355	47,766
Growth 2018 – 2023	18.02%	20.86%	13.61%

### Households

2023 Projection	3,970	10,817	20,262
2018 Estimate	3,352	8,902	17,659
Growth 2018 – 2023	18.44%	21.50%	14.74%

### Income

2018 Est. Average Household Income	\$88,737	\$88,276	\$84,928
2018 Est. Median Household Income	\$75,814	\$74,991	\$70,318
2018 Est. Per Capita Income	\$32,729	\$32,278	\$31,426









# Tenant Overview

## 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

**Deerfield, Illinois**

**Walgreens Boots Alliance**

**9,560+**

**walgreens.com**

Headquarters

Parent Company

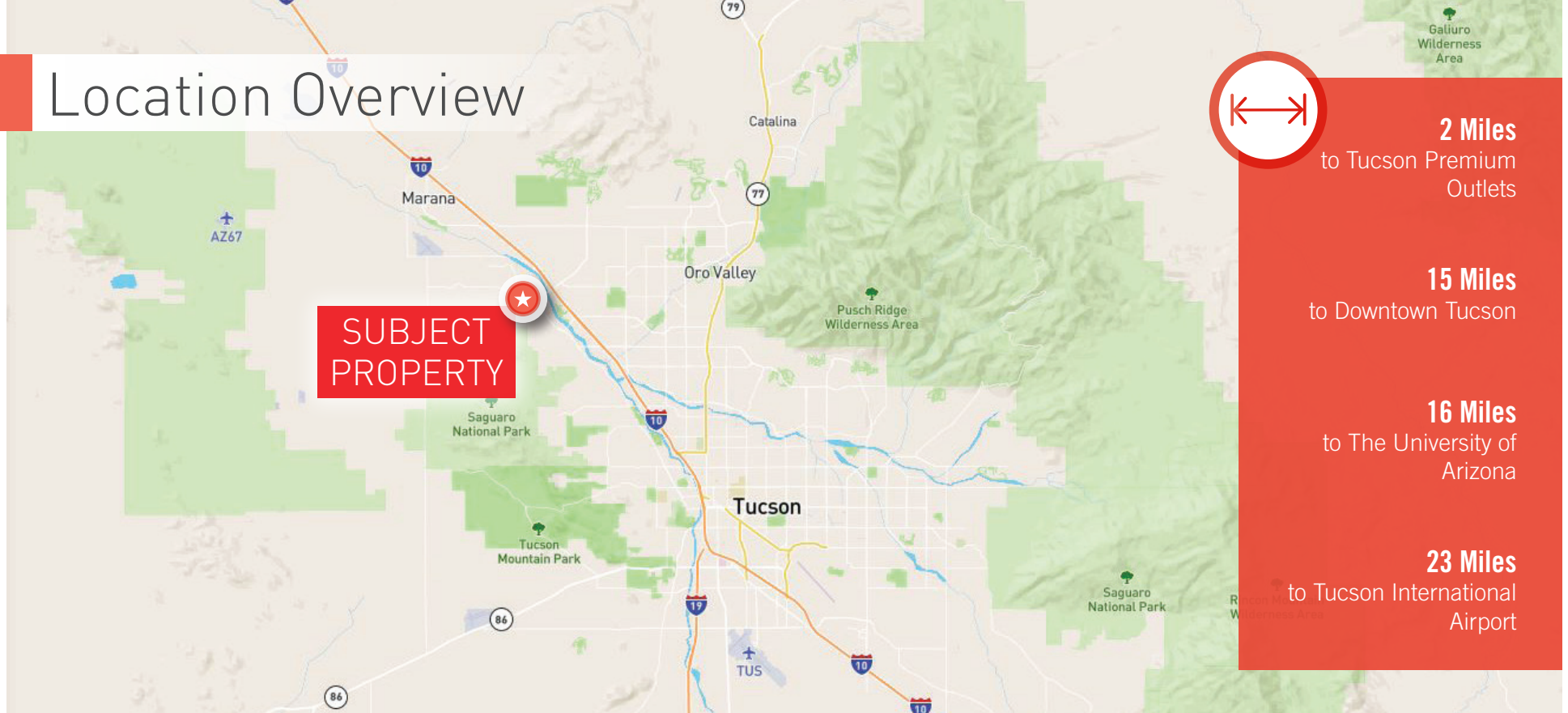
Locations

Website





# Location Overview



Tucson is the second largest metropolitan area in Arizona with just over one million residents and serves as an anchor to businesses located in the Southern Arizona corridor. Tucson offers its community an outstanding quality of life along with a low cost of doing business.

Tucson is known for an innovative manufacturing industry in a variety of different sectors such as biotech, aerospace, healthcare, defense, optics, solar, information technology and water. Amazon, Raytheon Missile Systems, IBM, Texas Instruments, Intuit Inc., Universal Avionics and the University of Arizona are some of the top employers in Tucson. Caterpillar, Amazon, Comcast and HomeGoods - all Fortune 500 companies - have added Tucson locations recently.

The University of Arizona is an integral part of Tucson. It has been named a Top 15 US public research institution, and enjoys a large student enrollment of 44,800

students and 11,000 administration staff members and faculty. The University of Arizona's science center in Tucson continues to graduate more students in the optics field than any other similar program in the world. Tucson International Airport (TUS) serves as an international port of entry and offers non-stop service to Phoenix, Los Angeles, San Diego, Las Vegas, San Francisco, Seattle, Salt Lake City, Denver, Minneapolis, Milwaukee, Chicago, Atlanta, Houston, Dallas and Albuquerque.

The nearby community of Marana is known as the most business supportive community in Southern Arizona, home to a number of world-class companies. Marana is among the fastest growing cities in Arizona, growing at a rate of nearly 150 percent since 2000. It is also home to the Forbes 5-Star Rated world-class Ritz-Carlton Dove Mountain resort.



# [ exclusively listed by ]

**Jamie A. Medress**

Senior Managing Director

602 687 6778

jmedress@marcusmillichap.com

**Mark J. Ruble**

Senior Managing Director

602 687 6766

mruble@marcusmillichap.com

**Chris N. Lind**

First Vice President

602 687 6780

chris.lind@marcusmillichap.com

**Jonathan Eckerd**

Associate Advisor

602 687 6686

jonathan.eckerd@marcusmillichap.com

Offices Nationwide

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