

Walgreens

An Absolute NNN Leased Drug Store with 10+ Years Remaining In
Angola, Indiana



Actual Subject Property

THE KLINK GROUP
of Marcus & Millichap

OFFERING MEMORANDUM

Marcus & Millichap

CONFIDENTIALITY & DISCLAIMER

The information contained in the following Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap and should not be made available to any other person or entity without the written consent of Marcus & Millichap. This Marketing Brochure has been prepared to provide summary, unverified 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, PCB's or asbestos, the compliance with 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 Marketing Brochure 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.

Marcus & Millichap

P R E S E N T E D B Y

THE KLINK GROUP

of Marcus & Millichap

Jordan Klink

INDIANAPOLIS OFFICE

First Vice President

Jordan.Klink@marcusmillichap.com

P (317) 218-5316

Nicholas Weaver
INDIANAPOLIS OFFICE
Senior Associate

David Klink
INDIANAPOLIS OFFICE
Associate

Eric Hillenbrand
INDIANAPOLIS OFFICE
Associate

Benjamin Sullivan
INDIANAPOLIS OFFICE
Associate

Alex Miller
INDIANAPOLIS OFFICE
Associate

Jason Dean
INDIANAPOLIS OFFICE
Director of Finance

Richard Niewiadomski
INDIANAPOLIS OFFICE
Financial Analyst

T A B L E O F C O N T E N T S

SECTION I.

PROPERTY OVERVIEW

Investment Overview

Investment Highlights

Offering Summary

About Angola, IN

Aerials

SECTION II.

LEASE OVERVIEW

Lease Summary

Tenant Overview

SECTION III.

MARKET OVERVIEW

Demographics



PROPERTY OVERVIEW



Investment Overview

The Klink Group of Marcus & Millichap, as exclusive advisor, is pleased to present for sale an absolute triple-net leased Walgreens Pharmacy investment located in Angola, Indiana, a university town & summer tourist destination in northeast Indiana. The 14,820 square building sits on an oversized 2+ acre site along the main commercial corridor; nearby retailers include Walmart, Meijer, Menards, Kohl's, Hobby Lobby, and JoAnn. Walgreens has ten years remaining on their firm term lease with eight five-year renewal options remaining thereafter. The landlord has zero responsibilities under the lease; Walgreens is responsible for the entirety of the site including common area maintenance, property taxes, insurance, roof, structure & parking lot.

Angola is home to Trine University and Pokagon State Park/Lake James area, a summer tourist destination that experiences an influx of seasonal homeowners and approximately 750,000 tourists annually. The site has exceptional exposure at a signalized intersection and is positioned at the entrance to Angola Square, a community shopping center. The property also sits two miles from Interstate 69, a major north-south thoroughfare

Walgreens (NASDAQ:WBA) is one of the largest pharmacy companies in the world and has an investment-grade corporate credit rating through the major credit rating agencies. The subject offering provides an incoming investor a long-term, passive stream of income backed an industry leader with strong real estate intrinsic value.

Offering Summary

Address	2012 N Wayne Street Angola, IN 46703
Price	\$4,853,846
Net Operating Income	\$315,500
Cap Rate	6.50%
Gross Leasable Area	14,820 SF
Base Lease Term Remaining	10 Years
Lot Size	2.03 Acres



Downtown Angola

About Angola, Indiana

Angola is a city in and the county seat of Steuben County, Indiana. Angola is the retail destination for a regional trade area that includes parts of Indiana, Michigan and Ohio. The retail trade area includes over 105,000 people year-round. The area experiences an influx of seasonal homeowners and approximately 750,000 tourists each year. Angola is home to Trine University a private, regional college founded in 1884 with satellite campuses across the state.

Steuben County is conveniently served by I-69 and the Indiana Toll Road (I-80 and I-90) , and has strong access to major metropolitan areas and major distribution centers including Fort Wayne [40 miles], South Bend [70 miles], Toledo, OH [75 miles], Detroit [125 miles], Chicago[160 miles], Indianapolis[155 miles] and Cleveland[180 miles]. The county is within a day's drive from 75 percent of the United States Trade Market.

Angola and Steuben County are well known for picturesque views because of their 101 lakes, Pokagon State Park, Trine University, a nationally recognized K-12 school system and a hard working, well trained work force. Angola is strategically located at a major regional "intersection" with US Highway 20 and the Indiana Toll Road and I-69 intersecting.

Angola, home to 101 lakes, is also a hotspot for skiers and boaters with major ski lakes in the area including Lake James, Clear Lake, Lake George, Lake Gage, Hamilton Lake, Crooked Lake, Jimmerson Lake and Snow Lake. The area is home to many quiet, smaller fishing lakes with many seasonal property owners that make their way back to Angola for warmer weather. Trine University is a private, non-denomination institution located on a 450-acres campus in the heart of Angola and houses recently updated and built, resort-quality facilities and has experienced phenomenal growth over the years. Trine grants associates, bachelor's and master's degrees in more than 35 programs on campus. U.S. News and World Report and the Princeton Review ranked Trine among the Midwest's Best Colleges in 2008, 2009 and 2010. Trine's education, engineering and business programs are nationally recognized and accredited.

The Cameron Memorial Community Hospital or CMCH, located in Angola, underwent a \$42 million expansion next to its existing campus in 2012. CMCH is a comprehensive healthcare system that services the Tri-State area, establishing Angola as both the retail and health corridor in the region.

Location Highlights

- *Market Serves a Regional Retail Trade Area that Includes over 105,000 Year-Round Residents*
- *Influx of Seasonal Population and Local Tourism Draws 750,000+ Visitors Each Year*
- *Easy Highway Access to Major Metros Including Chicago, Cleveland and Indianapolis*
- *Home to Trine University, a 450 Acre College Campus*
- *Steuben County is Home to 101 Lakes and Pokagon State Park*
- *Fort Wayne Television Market*
- *Regional Employment Base with High Daytime Population*



Downtown Angola



Angola, IN Attractions



Pokagon State Park

Pokagon State Park is a 1,260-acre state park in the northeastern part of the state, near the village of Fremont and 5 miles north of Angola.



Chapman's Brewing Company

Chapman's Brewing is a craft brewery and has taprooms in Angola, Fort Wayne, Columbia City, and Wabash.



Angola Motorsport Speedway

Angola Motorsport Speedway features a 3/8 mile, high-banked, asphalt track set on 78 acres in beautiful Steuben County.



Trine University

Trine University, formerly known as Tri-State University, is a private, non-profit, post-secondary institution located in Angola, Indiana.



Satek Winery

The winery opened on June 30, 2001. Satek Winery has expanded its vineyard from the original 2 acres to 8 acres. A ton of grapes will produce about 150 gal of wine. An acre of grapes will produce 3-7 tons of grapes.



Brokaw Movie Theatre

The Brokaw Movie House has two movie screens outfitted with digital projectors, and top of the line surround sound. Patrons will enjoy menu items such as beer, wine, pizza, hot dogs, nachos, and more.

KOHL'S

MENARDS®

Applebee's

meijer

Ruby Tuesday

Crosswait Estates Apartments

Walmart

Northcrest Apartments

MIDAS

WELLS FARGO

RAC
FURNITURE • APPLIANCES • ELECTRONICS
Rent A Center

MURPHY USA

JO-ANN
fabric and craft stores

H&R BLOCK

Dunham's SPORTS

OLLIE'S OUTLET
Bargain
GOOD STUFF CHEAP

**North Wayne Street
(21,250 VPD)**

Subject Property

STAR

CITGO



MENARDS

meijer

Ruby Tuesday

Crosswait Estates Apartments

Walmart

North Wayne Street
(21,250 VPD)

Subject Property

H&R BLOCK

JO-ANN
fabric and craft stores

★ STAR



Walmart

Dunham's *Bargain* OLIE'S OUTLET
GOOD STUFF CHEAP

JO-ANN
fabric and craft stores

H&R BLOCK

MURPHY
USA

STAR

Subject Property

North Wayne Street
(21,250 VPD)





Subject Property



North Wayne Street
(21,250 VPD)





LEASE OVERVIEW



Lease Summary

Tenant:	Walgreens
Lease Term:	25 Years
Guarantor:	Corporate
Lease Type:	NNN
Landlord Responsibilities:	None
Lease Commencement Date:	October 09, 2004
Lease Expiration Date:	October 31, 2029
Lease Term Remaining:	10 Years
Options:	Termination Right every 5 years after base term
Increases:	None

Tenant Overview

Tenant:	Walgreens Boots Alliance, Inc.
Ownership:	Public
Sales Volume:	\$103.44 Billion
Net Worth:	\$30.86 Billion
Credit Rating (Standard & Poor's):	BBB
Ticker Symbol (NASDAQ):	WBA
Number of Locations:	13,000+
Headquarters:	Deerfield, IL
Website:	www.walgreens.com

Walgreens Boots Alliance, Inc. operates as a pharmacy-led health and wellbeing company. The company operates through three segments: Retail Pharmacy USA, Retail Pharmacy International, and Pharmaceutical Wholesale. The Retail Pharmacy USA segment sells prescription drugs and an assortment of general merchandise, convenience foods, and more through its retail drugstores and convenient care clinics. It also provides specialty pharmacy services; and manages in-store clinics under the brand Healthcare Clinic

About Walgreens

Walgreens is one of the largest drugstore chains in the world.

The poster-child of net lease properties, Walgreens has been a highly traded investment property given the low risks typically associated with these drugstore properties. Additionally, the drugstore sector remains stable given its non-discretionary merchandise offerings.

Walgreens is owned by the Walgreens Boots Alliance, Inc. This parent company is currently the largest retail pharmacy in the US and Europe, with 13,000+ stores in over 11 countries.

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. Walgreens had been in merger talks with Rite Aid since 2015. In June of 2017, the pharmacies announced the merger was off however Walgreens will acquire over 2,100 Rite Aid locations.

Walgreens is a market leader in the United States and has 8,175 retail stores which includes Walgreens and Duane Reade, not including retail stores in other countries. Walgreens owns 15% of these retail locations and the rest are leased. Walgreens Boots Alliance stated that they will close about 200 less-profitable US Walgreens stores and open the same number of stores in new locations. The last closing will be no later than the end of 2017.





MARKET OVERVIEW



POPULATION	1 Miles	3 Miles	5 Miles
2023 Projection			
Total Population	2,110	11,997	17,094
2018 Estimate			
Total Population	2,019	11,679	16,697
2010 Census			
Total Population	2,033	11,661	16,626
2000 Census			
Total Population	1,841	11,060	16,205
Current Daytime Population			
2018 Estimate	3,979	16,446	20,260
HOUSEHOLDS	1 Miles	3 Miles	5 Miles
2023 Projection			
Total Households	1,015	4,603	6,571
2018 Estimate			
Total Households	955	4,429	6,358
Average (Mean) Household Size	2.14	2.37	2.40
2010 Census			
Total Households	963	4,422	6,334
2000 Census			
Total Households	779	4,243	6,194
Occupied Units			
2023 Projection	1,015	4,603	6,571
2018 Estimate	1,064	5,765	8,977
HOUSEHOLDS BY INCOME	1 Miles	3 Miles	5 Miles
2018 Estimate			
\$150,000 or More	3.57%	6.06%	6.94%
\$100,000 - \$149,000	8.90%	10.41%	11.39%
\$75,000 - \$99,999	7.30%	10.17%	10.93%
\$50,000 - \$74,999	21.49%	22.50%	23.47%
\$35,000 - \$49,999	19.01%	15.40%	14.60%
Under \$35,000	39.74%	35.45%	32.65%
Average Household Income	\$56,009	\$66,394	\$70,777

HOUSEHOLDS BY EXPENDITURE	1 Miles	3 Miles	5 Miles
Total Average Household Retail Expenditure	\$54,733	\$61,224	\$64,196
Consumer Expenditure Top 10 Categories			
Housing	\$13,829	\$15,074	\$15,724
Transportation	\$9,049	\$10,509	\$11,084
Shelter	\$7,911	\$8,565	\$8,896
Food	\$5,405	\$6,144	\$6,474
Personal Insurance and Pensions	\$4,377	\$5,406	\$5,845
Health Care	\$3,951	\$4,404	\$4,719
Utilities	\$3,232	\$3,497	\$3,639
Entertainment	\$2,106	\$2,489	\$2,644
Cash Contributions	\$1,453	\$1,582	\$1,681
Household Furnishings and Equipment	\$1,288	\$1,466	\$1,565
POPULATION PROFILE	1 Miles	3 Miles	5 Miles
Population By Age			
2018 Estimate Total Population	2,019	11,679	16,697
Under 20	21.62%	25.32%	24.43%
20 to 34 Years	22.21%	22.71%	20.37%
35 to 39 Years	5.44%	5.18%	5.01%
40 to 49 Years	12.16%	11.64%	11.88%
50 to 64 Years	18.25%	18.60%	20.72%
Age 65+	20.30%	16.55%	17.57%
Median Age	40.64	36.90	40.17
Population 25+ by Education Level			
2018 Estimate Population Age 25+	1,440	7,495	11,080
Elementary (0-8)	2.27%	2.22%	1.83%
Some High School (9-11)	6.00%	6.41%	6.32%
High School Graduate (12)	39.67%	37.81%	38.51%
Some College (13-15)	23.27%	22.30%	21.58%
Associate Degree Only	12.82%	9.75%	9.43%
Bachelors Degree Only	9.41%	13.75%	13.99%
Graduate Degree	5.93%	6.95%	7.57%



Population

In 2018, the population in your selected geography is 11,679. The population has changed by 5.60% since 2000. It is estimated that the population in your area will be 11,997.00 five years from now, which represents a change of 2.72% from the current year. The current population is 50.90% male and 49.10% female. The median age of the population in your area is 36.90, compare this to the US average which is 37.95. The population density in your area is 412.28 people per square mile.



Households

There are currently 4,429 households in your selected geography. The number of households has changed by 4.38% since 2000. It is estimated that the number of households in your area will be 4,603 five years from now, which represents a change of 3.93% from the current year. The average household size in your area is 2.37 persons.



Income

In 2018, the median household income for your selected geography is \$49,174, compare this to the US average which is currently \$58,754. The median household income for your area has changed by 19.18% since 2000. It is estimated that the median household income in your area will be \$59,498 five years from now, which represents a change of 20.99% from the current year.

The current year average household income in your area is \$66,394, compare this to the US average which is \$84,609.



Race and Ethnicity

The current year racial makeup of your selected area is as follows: 92.53% White, 1.51% Black, 0.03% Native American and 1.44% Asian/Pacific Islander. Compare these to US averages which are: 70.20% White, 12.89% Black, 0.19% Native American and 5.59% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 6.29% of the current year population in your selected area. Compare this to the US average of 18.01%.



Housing

The median housing value in your area was \$133,788 in 2018, compare this to the US average of \$201,842. In 2000, there were 2,714 owner occupied housing units in your area and there were 1,529 renter occupied housing units in your area. The median rent at the time was \$427.



Employment

In 2018, there are 9,576 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 54.31% of employees are employed in white-collar occupations in this geography, and 45.47% are employed in blue-collar occupations. In 2018, unemployment in this area is 5.63%. In 2000, the average time traveled to work was 19.00 minutes.

Walgreens

An Absolute NNN Leased Drug Store with 10+ Years Remaining In
Angola, Indiana

EXCLUSIVELY LISTED BY:

JORDAN KLINK

Indianapolis Office

First Vice President of Investments

Jordan.Klink@marcusmillichap.com

P (317) 218-5316

Nicholas Weaver
INDIANAPOLIS OFFICE
Senior Associate

David Klink
INDIANAPOLIS OFFICE
Associate

Eric Hillenbrand
INDIANAPOLIS OFFICE
Associate

Benjamin Sullivan
INDIANAPOLIS OFFICE
Associate

Alex Miller
INDIANAPOLIS OFFICE
Associate

Jason Dean
INDIANAPOLIS OFFICE
Director of Finance

Richard Niewiadomski
INDIANAPOLIS OFFICE
Financial Analyst

THE KLINK GROUP
of Marcus & Millichap

OFFERING MEMORANDUM

Marcus & Millichap