

## OFFERING MEMORANDUM

**\$8,850,000 | 5.65% CAP RATE**

- » Long-Term Corporate Lease to Investment Grade Tenant
  - » Recent 10-Year Lease Extension
  - » Very Strong Operating History
  - » Walgreens Boots Alliance is Rated "BBB" by S&P and Ranked 17th in the Fortune 500
  - » Largest Drug Retailing Chain in the U.S.
- » High-Traffic Location in Dense Retail Corridor
  - » Excellent Visibility and Access to 67,035 Vehicles Per Day at Signalized Hard Corner
- » Central Location with Robust Customer Base
  - » 237,462 Residents Within Five Miles
- » Dual-Lane Prescription Drive-Thru

FILE PHOTO

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Cushman & Wakefield ("Broker") has been retained on an exclusive basis to market the property described herein ("Property"). Broker has been authorized by the Seller of the Property ("Seller") to prepare and distribute the enclosed information ("Material") for the purpose of soliciting offers to purchase from interested parties. More detailed financial, title and tenant lease information may be made available upon request following the mutual execution of a letter of intent or contract to purchase between the Seller and a prospective purchaser. You are invited to review this opportunity and make an offer to purchase based upon your analysis. If your offer results in the Seller choosing to open negotiations with you, you will be asked to provide financial references. The eventual purchaser will be chosen based upon an assessment of price, terms, ability to close the transaction and such other matters as the Seller deems appropriate.

The Material is intended solely for the purpose of soliciting expressions of interest from qualified investors for the acquisition of the Property. The Material is not to be copied and/or used for any other purpose or made available to any other person without the express written consent of Broker or Seller. The Material does not purport to be all-inclusive or to contain all of the information that a prospective buyer may require. The information contained in the Material has been obtained from the Seller and other sources and has not been verified by the Seller or its affiliates. The pro forma is delivered only as an accommodation and neither the Seller, Broker, nor any of their respective affiliates, agents, representatives, employees, parents, subsidiaries, members, managers, partners, shareholders, directors, or officers, makes any representation or warranty regarding such pro forma. Purchaser must make its own investigation of the Property and any existing or available financing, and must independently confirm the accuracy of the projections contained in the pro forma.

Seller reserves the right, for any reason, to withdraw the Property from the market. Seller has no obligation, express or implied, to accept any offer. Further, Seller has no obligation to sell the Property unless and until the Seller executes and delivers a signed agreement of purchase and sale on terms acceptable to the Seller, in its sole discretion. By submitting an offer, a purchaser will be deemed to have acknowledged the foregoing and agreed to release Seller and Broker from any liability with respect thereto.

Property walk-throughs are to be conducted by appointment only. Contact Broker for additional information.

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Leased Investment Team

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# INVESTMENT SUMMARY

<b>ADDRESS</b>	626 South Clovis Avenue, Fresno, California
<b>PRICE</b>	<b>\$8,850,000</b>
<b>CAP RATE</b>	<b>5.65% return</b>
<b>NOI</b>	\$500,000
<b>TERM</b>	30 years, with 12 years remaining
<b>RENT COMMENCEMENT</b>	April 19, 2001
<b>LEASE EXPIRATION</b>	April 30, 2031
<b>YEAR BUILT</b>	2001
<b>BUILDING SF</b>	15,120 SF
<b>PARCEL SIZE</b>	1.71 acres (74,488 SF)
<b>LEASE TYPE</b>	Net, with tenant responsible for all taxes, insurance, and maintenance, excluding roof and structure

## CORPORATE NET LEASE TO INVESTMENT GRADE TENANT

- » Recent 10-year lease extension, demonstrating long-term commitment to the location
- » Very strong operating history at this store since 2001
- » Property features dual-lane prescription drive-thru, providing unparalleled customer convenience and boosting sales revenue
- » Walgreens Boots Alliance, Inc. (NASDAQ: "WBA") is rated "BBB" by Standard & Poor's and is ranked 17th in the Fortune 500
- » Walgreens is the largest drugstore chain in the U.S. based on prescription sales
- » Walgreens recently acquired nearly 2,000 Rite Aid stores, making Walgreens the largest drugstore chain by number of locations

## HIGH-TRAFFIC LOCATION IN DENSE RETAIL CORRIDOR

- » Excellent visibility and access to 67,035 vehicles per day at the signalized hard corner of South Clovis Avenue and East Kings Canyon Road
- » Directly across from a large retail center anchored by FoodMaxx
- » Within walking distance of shopping centers featuring Vons, Rite Aid, Starbucks, and Burgerim
- » Other notable retailers in the surrounding area include WinCo Foods, Home Depot, Walmart Supercenter, AutoZone, Wells Fargo, McDonald's, and many others

## CENTRAL LOCATION WITH ROBUST CUSTOMER BASE

- » Centrally located less than five miles from downtown Fresno and less than three miles from Fresno Yosemite International Airport
- » Near several schools, including Sunnyside High School (2,846 students), Kings Canyon Middle School (888 students), and Fresno Pacific University (3,980 students)
- » Minutes from the site of The Big Fresno Fair, the Central Valley's largest event, attracting more than 632,000 visitors to Fresno for two weeks each year
- » Less than a mile from Sunnyside Country Club, which is a well-established Country Club community
- » Bordered by densely populated residential neighborhoods, with 237,462 residents living within a five-mile radius







Jefferson  
Elementary School  
(481 students)



Fresno Yosemite  
International Airport  
(2.8 miles)

INDUSTRIAL  
REGION



INDUSTRIAL  
REGION



INDUSTRIAL REGION

State Route 180  
(42,014 AADT)

Bakman  
Elementary  
School  
(840 students)

South Clovis Avenue (44,104 AADT)



East Kings Canyon Road (22,931 AADT)





PG&E Corporation.

INDUSTRIAL REGION

Sequoia Middle School and  
Vang Pao Elementary School  
(1,350+ students)

WAWONA  
PACKING COMPANY

FRESNO PACIFIC  
UNIVERSITY  
(3,980 students and 923 employees)

Ayer  
Elementary  
School  
(720 students)

Greenberg  
Elementary School  
(586 students)

Sunnyside  
High School  
(2,846 students)

WinCo  
FOODS  
CVS  
pharmacy

goodwill

PANDA EXPRESS  
GOURMET CHINESE FOOD

RITE  
AID

South Clovis Avenue  
(44,104 AADT)

VONS DOLLAR TREE  
AutoZone  
Wendy's Sprint

Tires LES SCHWAB

DOWNTOWN FRESNO  
(4.9 miles)

Eastgate Shopping Center

THE HOME  
DEPOT

McDonald's

Aaron's  
Walgreens

Roosevelt High School  
(2,203 students)

Mario G. Olmos  
Elementary School  
(818 students)

FALLAS  
DISCOUNT STORES

O'Reilly cricket  
wireless

Kings Canyon Middle School  
(888 students)

Easterby Elementary School  
(697 students)

Walmart  
Supercenter

WING-STOP

SF SUPERMARKET  
Sally's Beauty Supply

ROSS  
DRESS FOR LESS

DOLLAR TREE  
SUBWAY  
SALLY BEAUTY SUPPLY  
KFC

verizon  
Denny's  
ESLIE'S SWIMMING  
POOL SUPPLIES  
Starbucks

W  
Weinerschnitzel

East Kings Canyon Road  
(22,931 AADT)

Walgreens

FOOD MAX  
PEPBOYS  
Carl's Jr.  
SUBWAY  
Hallmark

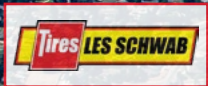
180 / State Route 180  
(42,014 AADT)







SUNNYSIDE COUNTRY CLUB



South Clovis Avenue  
(44,104 AADT)



Ayer Elementary School  
(720 students)

Sunnyside High School  
(2,846 students)

East Kings Canyon Road  
(22,931 AADT)

*Walgreens*

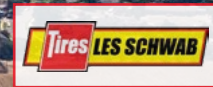






State Route 180  
(42,014 AADT)

John S. Wash Elementary School  
(506 students)



South Clovis Avenue (44,104 AADT)



East Kings Canyon Road (22,931 AADT)



# SITE PLAN



*Walgreens*

15,120 SF



EAST KINGS CANYON ROAD

SOUTH CLOVIS AVENUE



# TENANT SUMMARY



Walgreens is an American company which operates one of the largest pharmacy store chains in the United States. Walgreens sells prescription drugs and a range of other merchandise, including over-the-counter medications, health and beauty aids, personal care items, cosmetics, household items, food and beverages, greeting cards, seasonal merchandise, and other everyday and convenience products. As of June 28, 2018, the company operated 9,800 stores in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Walgreens is a subsidiary of Walgreens Boots Alliance (NASDAQ: "WBA"), the largest retail pharmacy, health, and daily living destination across the U.S. and Europe. The Walgreens Boots Alliance 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, Soap & Glory, Liz Earle, Sleek MakeUP, and Botanics. Walgreens Boots Alliance and its subsidiaries together have a presence in more than 25 countries and employ more than 415,000 people. The company operates one of the largest global pharmaceutical wholesale and distribution networks, with over 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.

During the third quarter of 2018, Walgreens Boots Alliance completed the acquisition of 1,932 Rite Aid stores. The company expects to transition three distribution centers and related inventory beginning in fiscal 2019 and to complete the integration of acquired stores and related assets by the end of fiscal 2020. The stores are expected to be converted from Rite Aid stores into Walgreens stores, making Walgreens the largest drugstore chain by number of locations in the U.S., with over 11,700 stores.

For the fiscal year ended August 31, 2018, Walgreens Boots Alliance, Inc. reported revenue of \$131.5 billion. Walgreens Boots Alliance enjoys a Standard & Poor's rating of "BBB" and is ranked 17th in the Fortune 500.

For additional information, please visit [www.walgreens.com](http://www.walgreens.com).

<b>TICKER</b>	<b>NASDAQ: "WBA"</b>	<b>LOCATIONS</b>	<b>11,700+</b>
<b>REVENUE</b>	<b>\$131.5B</b>	<b>HEADQUARTERS</b>	<b>Deerfield, IL</b>

# LEASE ABSTRACT

<b>TENANT</b>	Walgreen Co.
<b>GUARANTOR</b>	Walgreen Co.
<b>ADDRESS</b>	<a href="#">626 South Clovis Avenue, Fresno, California</a>
<b>RENT COMMENCEMENT</b>	April 19, 2001
<b>LEASE EXPIRATION</b>	April 30, 2031
<b>RENEWAL OPTIONS</b>	Six (6) five (5) year options
<b>PERCENTAGE RENT</b>	If a sum equal to 2.0% of the Gross Sales, excluding Gross Sales of food and prescription items, plus 0.5% of the Gross Sales of food and prescription items made by Tenant in the operation of Tenant's store in the Leased Premises in any lease year shall exceed the total fixed rent for such lease year, then Tenant shall pay to Landlord the amount of such excess as additional percentage rent. However, in no event shall the total of fixed rent plus additional percentage rent payable by Tenant in any lease year exceed one million dollars (\$1,000,000).
<b>REAL ESTATE TAXES</b>	Tenant will pay all real estate taxes.
<b>INSURANCE</b>	Tenant is responsible for all insurance costs.
<b>REPAIR &amp; MAINTENANCE</b>	Tenant responsible for all maintenance not covered by the Landlord
<b>MAINTENANCE BY LANDLORD</b>	Landlord is responsible for all maintenance to the exterior, structure, and roof of the Leased Premises.
<b>RIGHT OF FIRST OFFER</b>	Tenant has ten (10) days to exercise its right of first offer.



# PROPERTY OVERVIEW

## LOCATION

The property is conveniently located at the signalized intersection of South Clovis Avenue and East Kings Canyon Road, with excellent visibility and access to 67,035 vehicles per day. Located in a prime retail corridor, the property is located near large shopping centers and nationally recognized retailers. The property is directly across from a large retail center anchored by FoodMaxx. Within walking distance of the property are shopping centers featuring Vons, Rite Aid, and Dollar Tree. Other notable retailers in the surrounding area include Starbucks, BurgerIM, WinCo Foods, Home Depot, Walmart Supercenter, AutoZone, Wells Fargo, McDonald's, and many others.

The property is centrally located less than five miles from downtown Fresno and less than three miles from Fresno Yosemite International Airport. Several large schools are nearby, including Sunnyside High School (2,846 students), Kings Canyon Middle School (888 students), and Fresno Pacific University (3,980 students). The property is also just minutes from the site of The Big Fresno Fair, the Central Valley's largest event, attracting more than 632,000 visitors to Fresno for two weeks each year. And Sunnyside Country Club, which includes a historic Billy Bell Championship 18-hole golf course. Additionally, the property is bordered by residential neighborhoods, with 237,462 residents living within a five-mile radius.

## ACCESS

Access from South Clovis Avenue and East Kings Canyon Road

## TRAFFIC COUNTS

South Clovis Avenue:	44,104 AADT
East Kings Canyon Road:	22,931 AADT
State Route 180:	42,014 AADT

## PARKING

117 parking stalls, including three (3) handicap stalls

## YEAR BUILT

2001

## NEAREST AIRPORT

Fresno Yosemite International Airport (FAT)



FILE PHOTO



**117**  
PARKING  
STALLS



**67K**  
TRAFFIC  
COUNT (AADT)



**NEAREST  
AIRPORT**  
FRESNO  
YOSEMITE  
INTERNATIONAL  
AIRPORT



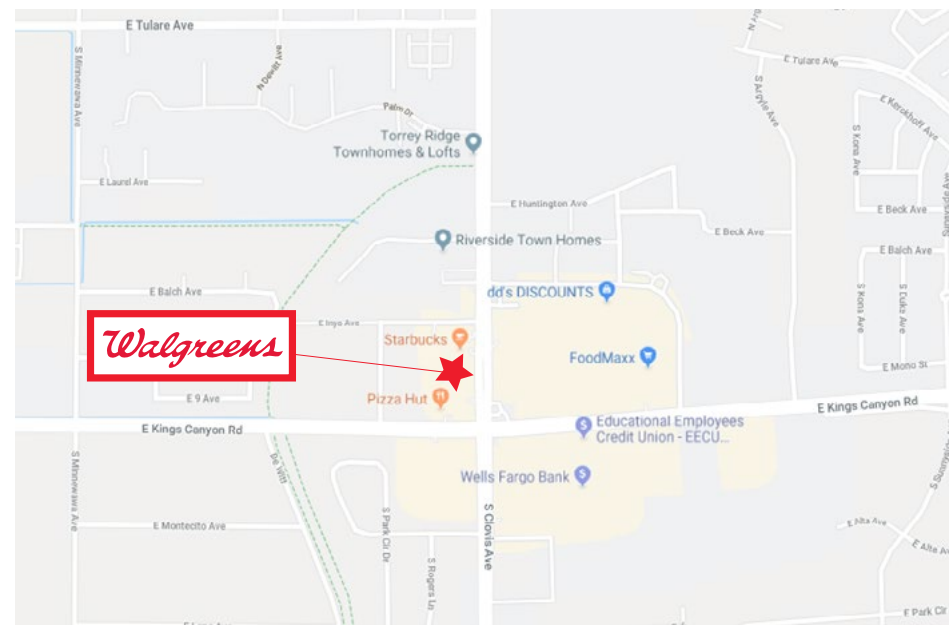
# AREA OVERVIEW

Fresno is a city in, and the county seat of, Fresno County. It is located in the center of the San Joaquin Valley, in the southern portion of California's Central Valley. With a 2018 population of 530,093, Fresno is the fifth most populous city in California, the most populous city in the Central Valley, the most populous inland city in California, and the 34th most populous city in the nation. Along with Sacramento, Fresno is the economic center of California's interior and is one of the fastest growing cities in the United States, with the region having a growth rate of nearly 24% since 2000. Fresno's location, very near the geographical center of California, places the city a comfortable distance from several of the major recreation areas and urban centers in the state. Fresno lies approximately 220 miles north of Los Angeles, 170 miles south of the state capital, Sacramento, and 185 miles southeast of San Francisco. Yosemite National Park is about 60 miles to the north, Kings Canyon National Park is 60 miles to the east, and Sequoia National Park is 75 miles to the southeast; as the nearest major city, Fresno is a major transportation hub for visitors heading to these parks.

Fresno is the economic hub of the Fresno Metropolitan Statistical Area (MSA) and the San Joaquin Valley, with much of the surrounding areas in the Fresno metropolitan region predominantly tied to large-scale agricultural production. Fresno County is the largest agricultural county in the United States. Fresno is the larger principal city of the Fresno-Madera Combined Statistical Area (CSA), which had a population of approximately 1.2 million people as of 2018. The Fresno CSA is the third largest metropolitan region in Northern California, behind the San Francisco Bay Area and Greater Sacramento. Fresno serves as a transportation hub for California's Central Valley due to the city's location roughly equidistant from the Greater Los Angeles, San Francisco Bay Area, and Greater Sacramento regions. The Fresno metropolitan region is served by a large number of highways and freeways that are vital in linking the rest of Northern California with Southern California.

- » Fresno is home to California State University, Fresno, a public research university with a total enrollment of 24,995 students.
- » Fresno Yosemite International Airport is the primary commercial airport serving the San Joaquin Valley and three national parks: Yosemite, Sequoia, and Kings Canyon. The Fresno Yosemite International Airport, which serves an estimated 1.3 million passengers annually, is the only commercial airport in the region and is a major gateway into Yosemite National Park.
- » The Big Fresno Fair, held for 12 days October, is the largest event in the Central Valley, attracting over 632,000 visitors.

MAJOR EMPLOYERS IN FRESNO MSA	# OF EMPLOYEES
COUNTY OF FRESNO	68,055
FRESNO UNIFIED SCHOOL DISTRICT	12,921
COMMUNITY MEDICAL CENTERS	8,400
CLOVIS UNIFIED SCHOOL DISTRICT	7,560
CALIFORNIA STATE UNIVERSITY, FRESNO	5,731
STATE CENTER COMMUNITY COLLEGE DISTRICT	4,991
CITY OF FRESNO	4,419
CHILDREN'S HOSPITAL OF CENTRAL CALIFORNIA	3,975
SAINT AGNES MEDICAL CENTER	2,600
KAISER PERMANENTE	2,300





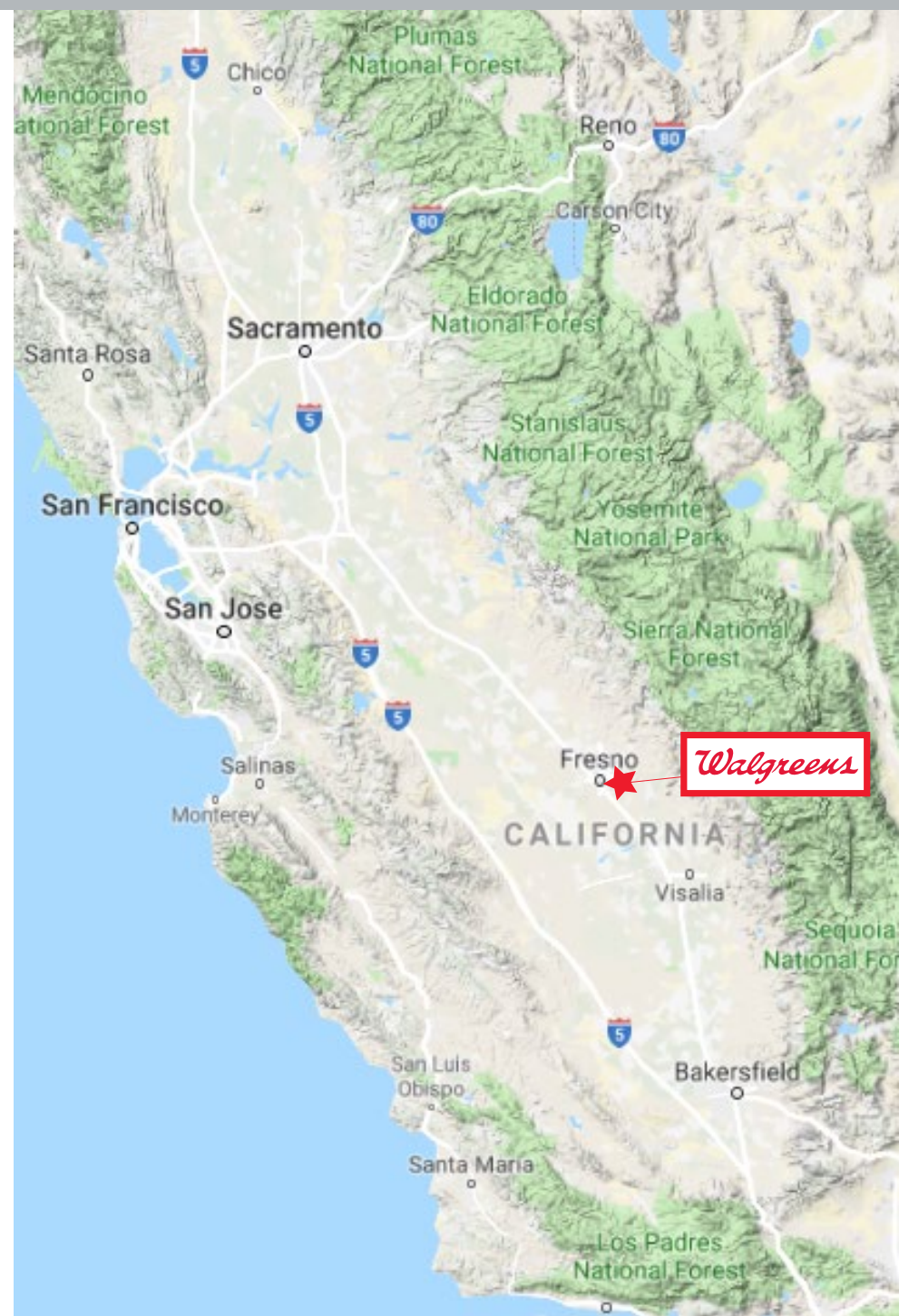
# DEMOGRAPHIC PROFILE

2019 SUMMARY	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>13,352</b>	<b>99,918</b>	<b>237,462</b>
Households	4,256	27,751	67,729
Families	3,112	21,413	51,340
Average Household Size	3.09	3.56	3.46
Owner Occupied Housing Units	2,082	14,477	33,517
Renter Occupied Housing Units	2,173	13,274	34,212
Median Age	30.1	29.0	29.4
<b>Average Household Income</b>	<b>\$67,215</b>	<b>\$62,076</b>	<b>\$60,390</b>

2024 ESTIMATE	1 Mile	3 Miles	5 Miles
<b>Population</b>	<b>13,848</b>	<b>104,608</b>	<b>247,105</b>
Households	4,406	28,943	70,347
Families	3,217	22,326	53,299
Average Household Size	3.09	3.58	3.47
Owner Occupied Housing Units	2,195	15,434	35,467
Renter Occupied Housing Units	2,211	13,509	34,881
Median Age	31.2	30.2	30.8
<b>Average Household Income</b>	<b>\$79,213</b>	<b>\$73,649</b>	<b>\$71,712</b>



**POPULATION OF 237,462**  
WITHIN FIVE MILES





**YURAS  
AICALE  
FORSYTH  
CROWLE**

Leased Investment Team



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