

REPRESENTATIVE PHOTO



**WALGREENS**

1203 EASTERN AVE, SCHENECTADY, NY 12308

INVESTMENT OVERVIEW

INVESTMENT HIGHLIGHTS

- Dynamically located on the main thoroughfare to downtown Schenectady with ample medical office tenants in the area including Ellis Medical Center, Ellis Hospital, a private neurology practice, and Planned Parenthood within one mile of this location
- A neighborhood Walgreens with dedicated parking situated in New York's capital region | Average Household Income of \$73,921 within a 3 Mile Radius
- Population of 99,463 People within a 3 Mile Radius
- This location is a former Rite Aid where Walgreens assumed responsibility of the lease and exercised one of their options to extend

OFFERING SUMMARY

|               |             |
|---------------|-------------|
| PRICE         | \$3,828,266 |
| NOI           | \$258,408   |
| CAP RATE      | 6.75%       |
| YEAR BUILT    | 1997        |
| LEASE TYPE    | NNN         |
| BUILDING SIZE | 12,696 SF   |

INVESTMENT SUMMARY

Marcus and Millichap is pleased to present the sale of this Net Leased Walgreens located in Schenectady, NY. The subject property is approximately 12,696 square feet and is positioned on approximately 0.95 acres of land.

Walgreens exercised their 1<sup>st</sup> of 4 Option Periods in May of this year showing commitment to the location.

RENT SCHEDULE

| YEAR                              | ANNUAL RENT | MONTHLY RENT | CAP RATE |
|-----------------------------------|-------------|--------------|----------|
| 5/30/2019 – 5/31/2024 (Option 1)* | \$258,408   | \$21,534     | 6.75%    |
| 5/30/2024 – 5/31/2029 (Option 2)  | \$270,713   | \$22,559     | 7.07%    |
| 5/30/2029 – 5/31/2033 (Option 3)  | \$283,018   | \$23,585     | 7.39%    |
| 5/30/2033 – 5/31/2038 (Option 4)  | \$298,323   | \$24610      | 7.79%    |

\*Currently in First Renewal. First Three Options automatically exercised for consecutive terms where the tenant has the right to terminate 6 months prior to period ending.

TENANT PROFILE

TENANT PROFILE

|                     |  |
|---------------------|--|
| Tenant              | Walgreens  |
| Lease Guarantor     | Corporate  |
| Ownership           | Public   |
| Years in Business   | 118 Years  |
| Credit Rating       | Baa2   |
| Number of Locations | 9,560  |
| Headquarters        | Deerfield, Illinois                                      |
| Website             | <a href="http://www.walgreens.com">www.walgreens.com</a> |

ABOUT THE TENANT

Whether you get your drugs from the pharmacist or the chemist, Walgreens Boots Alliance has you covered. The company, formed when US-based Walgreen Co. bought its European counterpart Alliance Boots, includes more than 13,200 retail pharmacies (or chemists in some parts of the world) in 11 countries, mostly the US and its territories and the UK, selling prescription and OTC drugs along with health and beauty products and general merchandise. The Alliance Boots part of the company also includes wholesale operations serving more than 230,000 pharmacies, hospitals, and clinics in upwards of 20 countries. Walgreens Alliance Boots was formed in 2014.

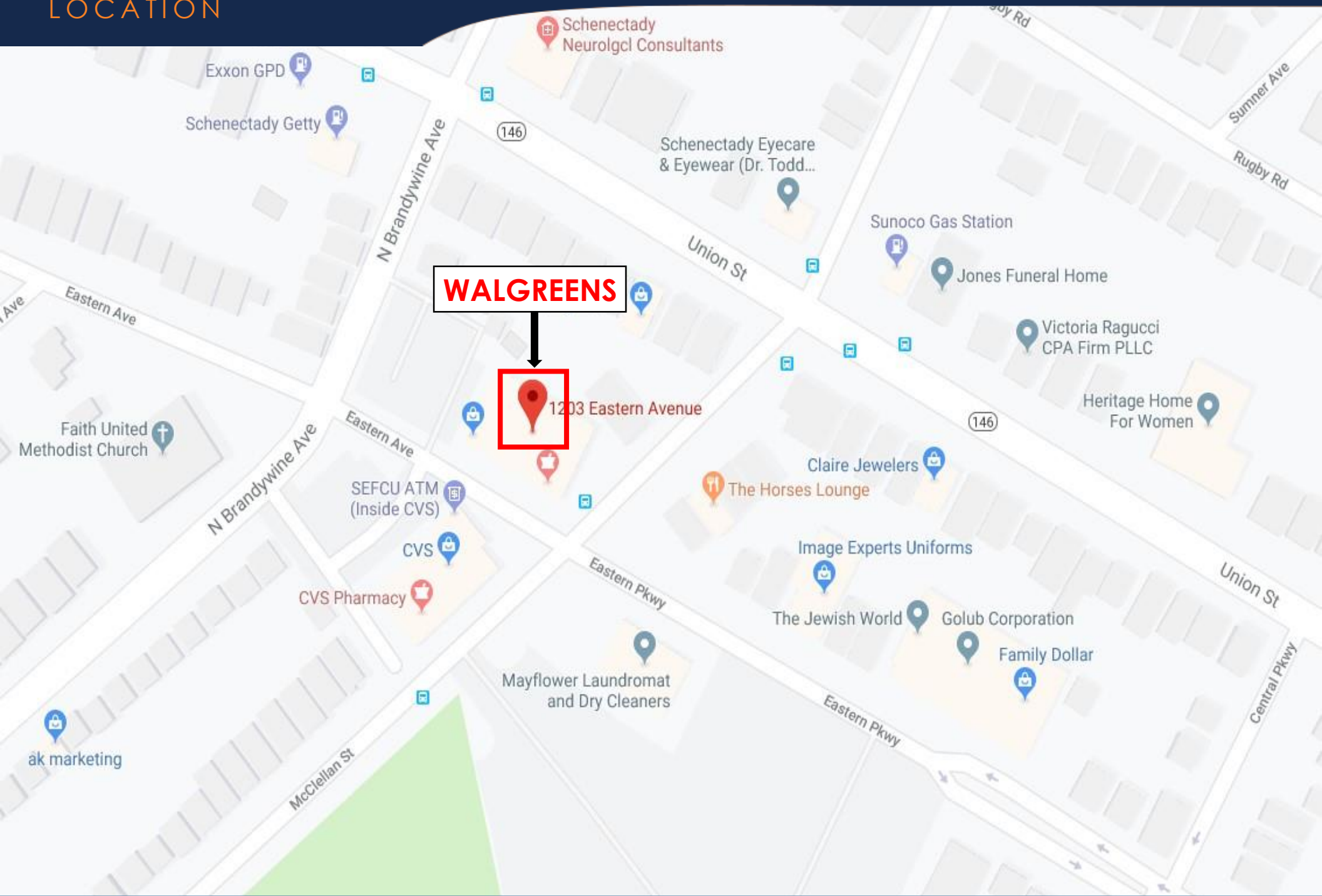
LEASE SUMMARY

| LEASE SUMMARY             |  |
|---------------------------|--|
| Property Subtype          | NNN Leased   |
| Tenant                    | Walgreens  |
| Rent Increases            | 4.5% in Each Option Period                               |
| Guarantor                 | Corporate Guarantee                                      |
| Lease Type                | NNN  |
| Master Lease Commencement | May 30, 1997   |
| Current Lease Expiration  | May 31, 2024   |
| Term Remaining on Lease   | 5 Years  |
| Renewal Options           | One, 5-year Option                                       |
| Landlord Responsibility   | None   |
| Tenant Responsibility     | CAM, Repairs & Maintenance, Insurance and Property Taxes |

| PROPERTY SUMMARY             |   |
|------------------------------|---|
| Right of First Refusal/Offer | Yes                                       |
| Property                     | Walgreens                                 |
| Address                      | 1203 Eastern Ave<br>Schenectady, NY 12308 |
| Price/SF                     | \$302                                     |
| Rent/SF                      | \$20                                      |
| CAP Rate                     | 6.75%                                     |
| Year Built                   | 1997                                      |
| Gross Leasable Area          | 12,696 SF                                 |
| Lot Size                     | 0.95 Acres                                |
| Type of Ownership            | Fee Simple                                |
| Zoning                       | B-2                                       |



LOCATION



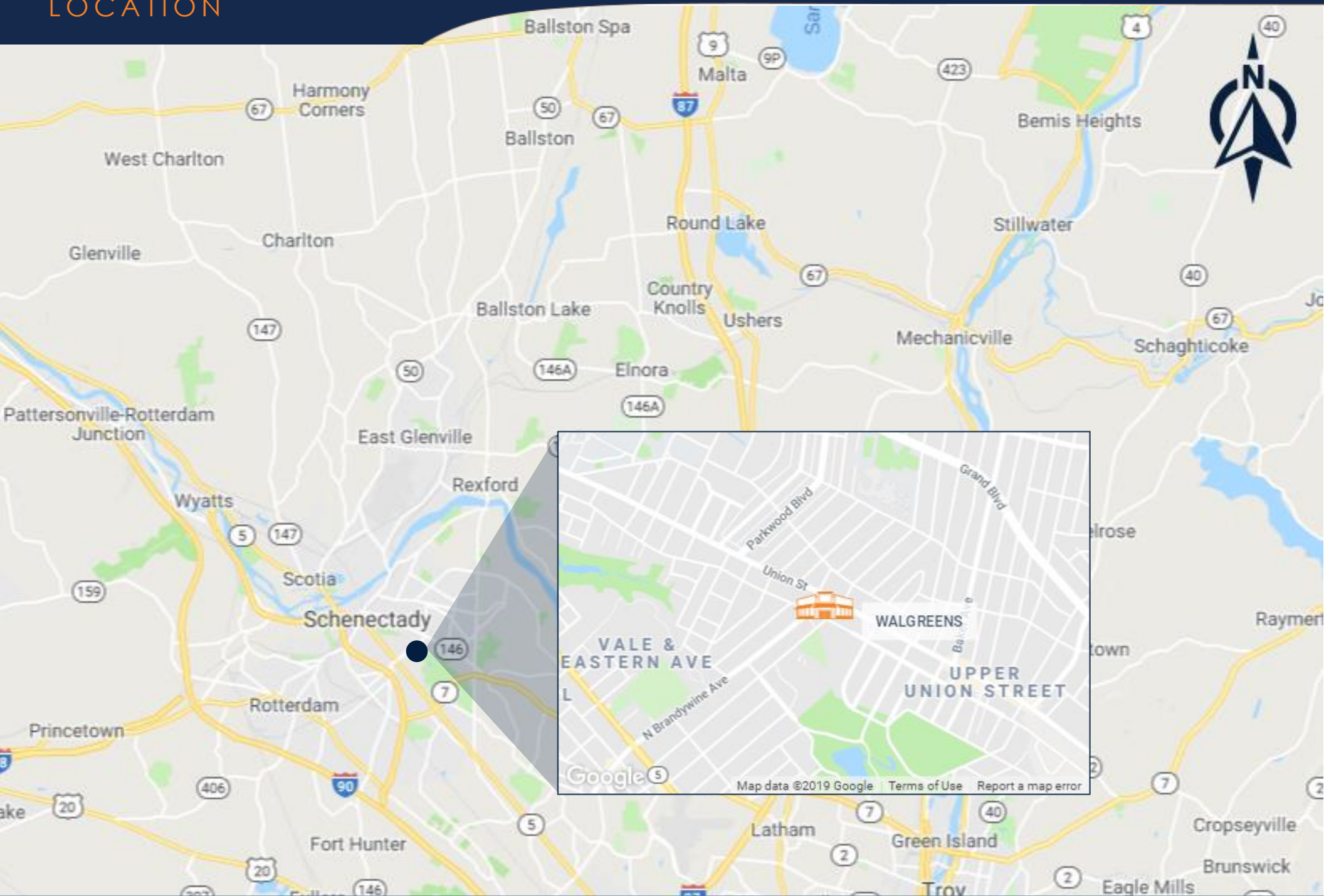


LOCATION





LOCATION



## LOCATION OVERVIEW



### **SCHENECTADY COUNTY, NEW YORK**

Schenectady is a city in Schenectady County, New York, United States. The name "Schenectady" is derived from a Mohawk word, *skahnéhtati*, meaning "beyond the pines. The city was a manufacturing center known as "The City that Lights and Hauls the World" – a reference to two prominent businesses in the city, the Edison Electric Company (now known as General Electric), and the American Locomotive Company (ALCO). In December 2014, the state announced that the city was one of three sites selected for development of off-reservation casino gambling, under terms of a 2013 state constitutional amendment. The project would redevelop an ALCO brownfield site in the city along the waterfront, with hotels, housing and a marina in addition to the casino.

The Edison Tech Center exhibits and promotes the physical development of engineering and technology from Schenectady and elsewhere. It provides online and on-site displays that promote learning about electricity and its applications in technology. Upper Union Street Business Improvement District, near the Niskayuna boundary, is home to almost 100 independently owned businesses, including a score of restaurants, upscale retail, specialty shops, salons and services.

As of the 2010 census, the city had a population of 66,135 people, 26,265 households and 14,051 families residing in the city. According to the United States Census Bureau, the city has a total area of 11 square miles, of which, 10.9 square miles of it is land and 0.1 square miles of it is water. It is part of the Capital District, the metropolitan area surrounding Albany, New York state's capital. Along with Albany and Troy, it is one of the three principal population and industrial centers in the region. Interstate 890 runs through Schenectady, and the New York State Thruway (Interstate 90) is nearby. Amtrak has a station in Schenectady.



## AREA DEMOGRAPHICS

| POPULATION                    | 1 Miles  | 3 Miles  | 5 Miles  |
|-------------------------------|----------|----------|----------|
| ■ 2023 Projection             |          |          |          |
| Total Population              | 21,721   | 97,510   | 154,667  |
| ■ 2018 Estimate               |          |          |          |
| Total Population              | 21,884   | 97,008   | 151,907  |
| ■ 2010 Census                 |          |          |          |
| Total Population              | 21,750   | 95,979   | 149,499  |
| ■ 2000 Census                 |          |          |          |
| Total Population              | 20,373   | 90,214   | 140,330  |
| ■ Current Daytime Population  |          |          |          |
| 2018 Estimate                 | 22,550   | 96,389   | 139,628  |
| HOUSEHOLDS                    | 1 Miles  | 3 Miles  | 5 Miles  |
| ■ 2023 Projection             |          |          |          |
| Total Households              | 8,619    | 39,717   | 63,088   |
| ■ 2018 Estimate               |          |          |          |
| Total Households              | 8,628    | 39,237   | 61,451   |
| Average (Mean) Household Size | 2.50     | 2.38     | 2.40     |
| ■ 2010 Census                 |          |          |          |
| Total Households              | 8,614    | 38,994   | 60,739   |
| ■ 2000 Census                 |          |          |          |
| Total Households              | 8,478    | 37,678   | 57,267   |
| ■ Occupied Units              |          |          |          |
| 2023 Projection               | 8,619    | 39,717   | 63,088   |
| 2018 Estimate                 | 9,574    | 43,244   | 66,500   |
| HOUSEHOLDS BY INCOME          | 1 Miles  | 3 Miles  | 5 Miles  |
| ■ 2018 Estimate               |          |          |          |
| \$150,000 or More             | 8.59%    | 8.43%    | 10.21%   |
| \$100,000 - \$149,000         | 12.93%   | 12.06%   | 15.32%   |
| \$75,000 - \$99,999           | 13.05%   | 14.04%   | 15.39%   |
| \$50,000 - \$74,999           | 18.58%   | 18.29%   | 18.50%   |
| \$35,000 - \$49,999           | 13.22%   | 12.83%   | 11.93%   |
| Under \$35,000                | 33.62%   | 34.34%   | 28.66%   |
| Average Household Income      | \$75,693 | \$74,156 | \$81,690 |
| Median Household Income       | \$54,357 | \$53,846 | \$62,613 |
| Per Capita Income             | \$30,488 | \$30,514 | \$33,418 |

| HOUSEHOLDS BY EXPENDITURE                  | 1 Miles  | 3 Miles  | 5 Miles  |
|--|----------|----------|----------|
| Total Average Household Retail Expenditure | \$65,188 | \$65,141 | \$71,832 |
| ■ Consumer Expenditure Top 10 Categories   |          |          |          |
| Housing                                    | \$18,710 | \$18,614 | \$20,057 |
| Shelter                                    | \$12,215 | \$12,092 | \$12,919 |
| Transportation                             | \$10,429 | \$10,430 | \$11,759 |
| Food                                       | \$6,270  | \$6,324  | \$6,961  |
| Personal Insurance and Pensions            | \$5,770  | \$5,677  | \$6,588  |
| Utilities                                  | \$3,303  | \$3,319  | \$3,587  |
| Health Care                                | \$3,249  | \$3,416  | \$3,890  |
| Cash Contributions                         | \$2,359  | \$2,356  | \$2,709  |
| Entertainment                              | \$2,303  | \$2,346  | \$2,624  |
| Apparel                                    | \$1,926  | \$1,923  | \$2,058  |
| POPULATION PROFILE                         | 1 Miles  | 3 Miles  | 5 Miles  |
| ■ Population By Age                        |          |          |          |
| 2018 Estimate Total Population             | 21,884   | 97,008   | 151,907  |
| Under 20                                   | 27.47%   | 25.76%   | 24.71%   |
| 20 to 34 Years                             | 23.66%   | 22.25%   | 20.00%   |
| 35 to 39 Years                             | 6.91%    | 6.50%    | 6.30%    |
| 40 to 49 Years                             | 11.97%   | 11.92%   | 12.42%   |
| 50 to 64 Years                             | 18.72%   | 19.10%   | 20.44%   |
| Age 65+                                    | 11.26%   | 14.47%   | 16.10%   |
| Median Age                                 | 34.22    | 36.48    | 39.17    |
| ■ Population 25+ by Education Level        |          |          |          |
| 2018 Estimate Population Age 25+           | 14,060   | 64,507   | 103,887  |
| Elementary (0-8)                           | 3.12%    | 2.67%    | 2.14%    |
| Some High School (9-11)                    | 8.40%    | 8.11%    | 6.61%    |
| High School Graduate (12)                  | 29.37%   | 31.47%   | 30.50%   |
| Some College (13-15)                       | 16.67%   | 16.45%   | 16.37%   |
| Associate Degree Only                      | 9.70%    | 10.31%   | 11.56%   |
| Bachelors Degree Only                      | 17.34%   | 16.11%   | 17.62%   |
| Graduate Degree                            | 13.69%   | 13.02%   | 13.70%   |

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