



Offering Memorandum

# WALGREENS

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29200 6 Mile Rd  
Livonia, MI



## EXCLUSIVELY LISTED BY

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## INVESTMENT HIGHLIGHTS

- **Below Average Drug Store Rent** – Walgreens is paying \$10.00/PSF in rent, which is less than half of the national average for Walgreens. Additionally, commercial asking rents in the vicinity are right around \$10 PSF.
- **Over 21 years in Operation at this Location** – Walgreens has occupied this building since 1998.
- **Prototype Walgreens Store Format on Signalized Intersection** – A double drive-thru 13,905 SF store format on 1.797 acres. Located at the northeast corner of Middlebelt Rd (32,500 VPD) and Six Mile Rd (15,500 VPD).
- **Strong Population and Average HH Incomes** – More than 248,000 residents in the 5-mile radius with an average household income of \$73,000.
- **Detroit MSA** – Approximately 19 miles from downtown Detroit. Detroit MSA is home to about 4.3 million people and is the second largest Midwest MSA only behind Chicago.
- **Nationally Recognized Investment Grade Tenant** – Lease is fully guaranteed by Walgreens Co. (S&P's Rated BBB). Walgreens Boots Alliance is ranked #17 on the 2019 Fortune 500 list.
- **Walgreens as a Tenant** – As Amazon, and other ecommerce threats continue, to edge into the pharmaceutical space, Walgreens has increased its partnerships and consumer offerings. Walgreens completed its nearly \$4.4 billion acquisition of more than 1,900 Rite Aid stores and three distribution centers in March, although the stores won't be fully integrated into Walgreens until the 2020 fiscal year. In the past year, the Walgreens has also partnered with Humana to offer senior-focused care, Alphabet's Verily to assist patients with chronic illness, FedEx to offer next-day prescription delivery, and Kroger to test an in-store grocery pilot and let Walgreens serve as a pickup point for online grocery orders. Walgreens has also cleared space for CBD products to be sold in 1,500 stores across nine states.





## FINANCIAL OVERVIEW



### WALGREENS

(Store #4298)  
29200 6 Mile Rd  
Livonia, MI 48152

List Price .....\$1,794,000  
CAP Rate ..... 7.75%  
Gross Leasable Area ..... ± 13,905 SF  
Lot Size ..... ± 1.80 Acres  
Year Built .....1997

#### ANNUALIZED OPERATING DATA

	Annual Rent	Monthly Rent	Rent PSF	CAP
Current (6/1/18 to 5/31/23)	\$139,050.00	\$11,587.50	\$10.00	7.75%
Options	\$269,061.00	\$22,421.75	\$19.35	15.00%

#### LEASE SUMMARY

Tenant	Walgreens
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Original Lease Term	60 years
Lease Date	4/2/97
Lease Commencement Date	5/23/98
Lease Expiration Date	5/31/58
Current Option Expiration Date	5/31/23
Term Remaining on Current Option	±3.75 Years
Options	Seven (7) additional five (5) year options







SURROUNDING TENANTS









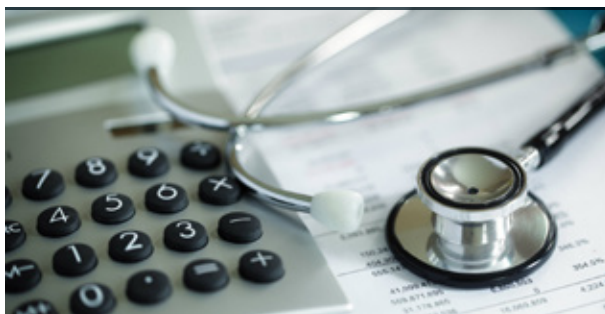


## TENANT OVERVIEW



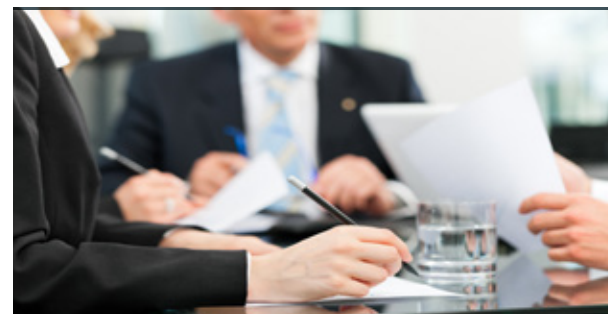
### TENANT OVERVIEW

The nation's #1 drugstore chain, Walgreens, operates close to 8,300 stores in all 50 US states, the District of Columbia, the Virgin Islands and Puerto Rico. Prescription drugs are the focus of the company as they account for close to two-thirds of sales; the rest comes from general merchandise, over-the-counter medications, cosmetics and groceries. Most locations offer drive-through pharmacies and one-hour photo processing, which separates them from competition.



### WALGREENS HEALTH FOCUS

Walgreens' overall value proposition differentiates it from competitors in valuable ways. Specifically, a focus on health gives Walgreens a competitive advantage over other pharmacies. By putting health at the forefront of all aspect of the business and reducing customers' shopping time, Walgreens has achieved placement in a league of its own as competition aims their focus on things such as convenience, design, or low prices.



### MARKETING STRATEGY

Walgreens focuses on customer need and satisfaction. For example, the curbside pick-up service stemmed from the needs of working mothers who don't have the time to go into the store and shop. Creating loyalty amongst patrons is a priority for the company as it keeps them coming back and spending money.



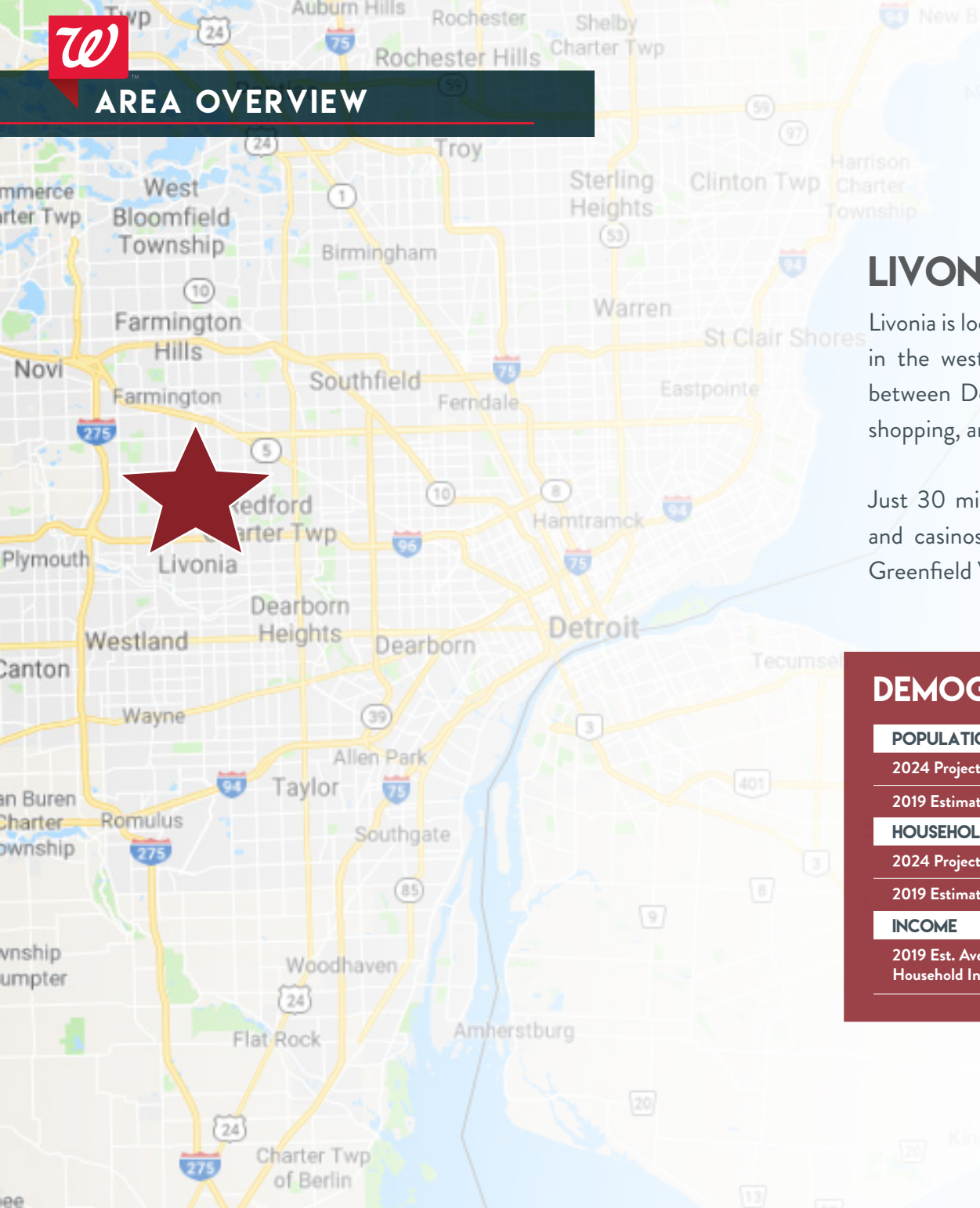
Company Name	Walgreen Co.
Parent Company Trade Name	Walgreens Boots Alliance, Inc. (NASDAQ: WBA)
Ownership	Public
Revenue	\$76.39B

Net Income	\$1.93B
No. of Locations	± 8,300
No. of Employees	± 253,400
Headquartered	Deerfield, Illinois
Website	<a href="http://www.walgreens.com">www.walgreens.com</a>
Year Founded	1901





## AREA OVERVIEW



## LIVONIA, MI

Livonia is located 20 miles west of Detroit, Michigan's largest city. Located in the western suburbs of Metro Detroit, Livonia is centered halfway between Downtown Detroit and Ann Arbor with great hotels, fantastic shopping, and dining options.

Just 30 minutes away from the museums, professional sporting events, and casinos. Another popular choice, The Henry Ford, which includes Greenfield Village and the Ford Rouge Factory Tour.

## DEMOGRAPHICS

POPULATION	1 - MILE	3 - MILE	5 - MILE
2024 Projection	8,948	87,164	243,432
2019 Estimate	9,032	87,985	245,954
HOUSEHOLDS	1 - MILE	3 - MILE	5 - MILE
2024 Projection	3,636	36,228	102,242
2019 Estimate	3,635	36,237	102,416
INCOME	1 - MILE	3 - MILE	5 - MILE
2019 Est. Average Household Income	\$90,747	\$81,276	\$77,925





## DETROIT, MI

Detroit is the largest and most populous city in the U.S. state of Michigan, the largest city on the United States–Canada border, and the seat of Wayne County. The municipality of Detroit had a 2017 estimated population of 673,104, making it the 23rd-most populous city in the United States. The metropolitan area, known as Metro Detroit, is home to 4.3 million people, making it the second-largest in the Midwest after the Chicago metropolitan area. Regarded as a major cultural center, Detroit is known for its contributions to music and as a repository for art, architecture, and design.

Detroit is a major port located on the Detroit River, one of the four major straits that connect the Great Lakes system to the Saint Lawrence Seaway. The Detroit Metropolitan Airport is among the most important hubs in the United States. The City of Detroit anchors the second-largest regional economy in the Midwest, behind Chicago and ahead of Minneapolis–Saint Paul, and the 13th-largest in the United States. Detroit and its neighboring Canadian city Windsor are connected through a tunnel and the Ambassador Bridge, the busiest international crossing in North America. Detroit is best known as the center of the U.S. automobile industry, and the “Big Three” auto manufacturers General Motors, Ford, and Chrysler are all headquartered in Metro Detroit.





## ECONOMIC DEVELOPMENTS

While Detroit is the world's epicenter of mobility and advanced transportation solutions, today's Detroit is so much more than the just the Motor City. With a diverse offering of competitive advantages, Detroit is a smart choice for businesses looking to expand, relocate, and invest.

Detroit offers a suite of incentive programs designed to help businesses thrive with a talented workforce, innovative educational institutions, successful private/public partnerships attracting international attention, and affordable, unique real estate.

Within Detroit beats the heart of a major metropolitan city featuring a thriving downtown district and vibrant neighborhood communities. We have world-class hospital systems and a rich history of art, theater, music, and culture. Learn more about Detroit's unique opportunities and why businesses are choosing to call Detroit home.



## CONFIDENTIALITY DISCLAIMER AND AGREEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **29200 6 Mile Rd Livonia, MI 48152 (“Property”)**. It has been prepared by Matthews Real Estate Investment Services. This Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material is based in part upon information supplied by the Seller and in part upon financial information obtained from sources it deems reliable. Owner, nor their officers, employees, or agents makes any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum or any of its contents and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein and conduct their own due diligence.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser's sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.



# WALGREENS

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**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES

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