

MATTHEWSTM
REAL ESTATE INVESTMENT SERVICES

OFFERING MEMORANDUM



WALGREENS

805 W MADISON AVE | ATHENS, TN

EXCLUSIVELY LISTED BY



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EXECUTIVE SUMMARY

- Matthews Real Estate Investment Services is pleased to offer for sale the fee-simple interest in a single-tenant Walgreens (the “Property” or “Asset”) located in Athens, TN.

INVESTMENT HIGHLIGHTS:

INVESTMENT GRADE CREDIT TENANT —

- The lease is guaranteed by Walgreens Company, an investment-grade tenant with a ‘BBB’ credit rating from Standard & Poor’s.
- Walgreens is an industry leader in the retail pharmacy industry with over 9,500 locations throughout the United States.

LONG TERM ABSOLUTE TRIPLE-NET (NNN) LEASE —

- The Property possesses ideal net lease fundamentals, highlighted by an Absolute NNN structure with no landlord responsibilities,
- over 11 years of remaining primary term remaining before the Tenant’s six (6), 5-year options.

SUPERB LOCATION, EXCELLENT VISIBILITY, & INCOME-TAX FREE STATE —

- Fundamentally strong location near several Medical Facilities & Schools
- Hard-Signalized Corner Off W Madison Ave & Keith Ln (± 15,000 VPD)
- Excellent Visibility, strong signage, ample parking & multiple turn-in lanes w/ ideal ingress/egress

LOCATION HIGHLIGHTS:

- Athens offers a great location, a workforce eager to tackle the demands of advanced manufacturing, low-cost taxes in a debt-free county, abundant industrial properties, a favorable quality of life, and support services that are hard to match.
- Athens is the 39th largest city in the state with an estimated population of over 14,000 residents. The city is located in McMinn County which is positioned along a major transportation corridor (Interstate 75) in both the Chattanooga and Knoxville regions in Southeast Tennessee.

FINANCIAL ANALYSIS

WALGREENS

805 W Madison Ave
Athens, TN 28001

List Price	\$4,649,122
CAP Rate.....	5.70%
Gross Leasable Area	± 14,764 SF
Lot Size (AC)	± 1.64
Lot Size (SF)	± 71,438
Rent/SF.....	\$17.95
NOI	\$265,000
Parking Spaces	64 Spaces

Tenant Summary

Tenant:	Walgreens
Guarantor:	Walgreen Co.
# of Units:	9,560
Ownership:	Fee Simple
Lease Type:	Absolute NNN
Original Lease Term:	75 Years
Lease Commencement:	9/1/05
Initial Term Expiration:	8/31/80
Years Remaining:	±11 Years
Rent Increases:	2% of Gross Sales if > Base Rent
Options to Renew:	Six 5-Year Options
Options to Terminate:	8/31/2030 & Every 5 Years thereafter until 8/31/2080

Annualized Operating Data

NOI/yr	NOI/mth	Rent/Sf/Yr	Rent/Sf/mth
\$265,000	\$22,083.33	\$17.95	\$1.50





Walgreens Boots Alliance, Inc. | Public | NASDAQ: WBA
www.walgreens.com



Revenue :
\$76.39 B



No. of Employees :
± 253,400



Net Income :
\$1.93 B



Headquartered :
Deerfield, IL



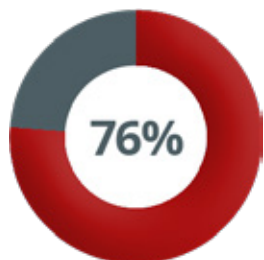
No. of locations :
± 8,300



Year Founded :
1901

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 the competition. Recently, Walgreen Co. fully acquired Alliance Boots, Europe's leading drug wholesaler, to create Walgreens Boots Alliance, of which it is a subsidiary.



**STORES LOCATED WITHIN FIVE
MILES OF APPROXIMATELY 76%
OF AMERICANS.**

**WALGREENS INTERACTS WITH 10
MILLION CUSTOMERS A DAY**



PROPERTY OVERVIEW



THE OFFERING

Property Name		Walgreens
Property Address	805 W Madison Ave Athens, TN 37303	
Assessor's Parcel Number	054065C C 00100	
Site Description		
Number of Stories	One	
Year Built	2005	
Gross Leasable Area (GLA)	± 14,764 SF	
Lot Size (AC)	± 1.64	
Lot Size (SF)	± 71,438	
Type of Ownership	Fee Simple	
Parking	64 Spaces	
Roof and Structure	Tenant Responsibility	

SURROUNDING TENANTS



AREA OVERVIEW

ATHENS, TN

Nestled in the foothills of the Great Smoky Mountains, Athens offers a southern hospitality that grew during the years in which it was a small agricultural center. Over the years, Athens has grown industrially but has been able to maintain the reputation of the “The Friendly City.”

Athens is a city in McMinn County, Tennessee. It is the county seat of McMinn County and the principal city of the Athens Micropolitan Statistical Area, which is part of the larger Chattanooga-Cleveland-Athens Combined Statistical Area. The city is located almost equidistantly between the major cities of Knoxville and Chattanooga.

McMinn County is located along a major transportation corridor (Interstate 75) in both the Chattanooga and Knoxville regions in Southeast Tennessee. Athens offers a great location, a workforce eager to tackle the demands of advanced manufacturing, low cost taxes in a debt-free county, abundant industrial properties, a favorable quality of life, and support services that are hard to match. The McMinn County Economic Development Authority works to attract new investment and jobs in McMinn County and provides life-long support to our existing industries.

PROPERTY DEMOGRAPHICS

POPULATION	1 Mile	3 Mile	5 Mile
2024 Projection	5,247	16,640	23,762
2019 Estimate	5,175	16,358	23,263
2010 Census	5,187	16,318	23,000
HOUSEHOLDS	1 Mile	3 Mile	5 Mile
2024 Projection	2,075	6,841	9,607
2019 Estimate	2,046	6,725	9,412
2010 Census	2,053	6,718	9,333
INCOME	1 Mile	3 Mile	5 Mile
2017 Est. Average Household Income	\$53,971	\$ 51,659	\$55,685

CHATTANOOGA, TN

Chattanooga is a city located in Hamilton County, Tennessee, along the Tennessee River bordering Georgia. With an estimated population of 179,139 it is the fourth-largest city in Tennessee and one of the two principal cities of East Tennessee, along with Knoxville. Served by multiple railroads and Interstate highways, Chattanooga is a transit hub. The Chattanooga metropolitan statistical area is the fourth largest in Tennessee and the city of Chattanooga anchors a three-state area that includes Southeast Tennessee, Northwest Georgia, and Northeast Alabama. Major industry driving the economy includes automotive, advanced manufacturing, food and beverage production, healthcare, insurance, tourism, and back office and corporate headquarters.

Chattanooga, Tennessee has been named by Lonely Planet as the **“BEST IN THE U.S.”** and **“10 U.S. DESTINATIONS YOU NEED TO SEE IN 2018.”** In fact, the New York Times named Chattanooga one of the **“TOP 45 PLACES TO GO”** in the World. And it's no wonder. Tucked between the mountains of Southeast Tennessee, along the beautiful Tennessee River, Chattanooga is one of America's most breathtaking cities. There's a world of outdoor adventure, amazing restaurants, live events, art and world-class attractions waiting for you here. So, go ahead. Plan your Chattanooga vacation today.



KNOXVILLE, TN

Nestled in the foothills of the Great Smoky Mountains National Park, Knoxville is a progressive, friendly and rapidly growing city accessible from an international waterway that is often described as a hidden gem. Three interstates run through the city providing accessibility to Nashville, Chattanooga, and Lexington. It is the largest city in eastern Tennessee, serving as a gateway to the tourist and recreation destinations of the Great Smoky Mountains National Park.

After the arrival of the railroads in the 1850s, Knoxville grew to become a major wholesaling and manufacturing center and has continued to develop into a metropolitan hub. Existing industries expanded and new industries took root, prospered and diversified the economy. The region's employer base is a mix of large government employers, such as the Oak Ridge National Laboratory and the University of Tennessee, and many creative, innovative companies, such as Alcoa and Kimberly Clark. Regal Entertainment Group, a Fortune 1000 company, is the largest publicly traded corporation based in Knoxville. Major companies located in the Knoxville MSA includes Clayton Homes, Ruby Tuesday, DeRoyal, and Weigel's.



TOP EMPLOYERS

Clayton



Alcoa

THE UNIVERSITY OF
TENNESSEE
KNOXVILLE



UT THE UNIVERSITY OF TENNESSEE
MEDICAL CENTER



CITY OF KNOXVILLE

Tennova
Hospice



Covenant
Health

CONFIDENTIALITY & DISCLAIMER STATEMENT

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **805 W Madison Ave, Athens, TN 37303** (“**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.

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