

WALGREENS - Anoka, MN

A Confidential 1031 | DST Investment



A 1031 | DST Investment Opportunity

Investment Description

Legacy Partners DL, Inc. is making available a CONFIDENTIAL OPPORTUNITY to invest a free-standing Walgreens located at the intersection of Highway 169 (Ferry Street) and Main Street in downtown Anoka, MN; known as one of the busiest intersection in Anoka County. The building is a +/-13,450 SF retail property that was constructed in 1994. The Walgreens net lease has an original term through December 31, 2064. Walgreens has a continuous lease termination option every five (5) years with the next option available on 12/31/2024. The below market rent is at \$15.04 PSF. The property is located in a Qualified Opportunity Zone (QOZ) and may eventually be redeveloped into a mixed-use concept.

The investment offering is structured as a Delaware Statutory Trust (DST) whereas multiple investors can invest in the offering. The offering structure will accommodate the proceeds from the sale of a relinquished property under the IRC Section 1031 Exchange rules. The minimum equity investment is \$100,000.

INVESTMENT HIGHLIGHTS

Total Investment Cost:	\$2,973,402
Investment Type:	DST
Minimum Investment:	\$100,000
Equity	\$749,402
Debt	\$2,224,000
Projected First Year NOI	\$202,270
Purchase CAP Rate	6.80%
Anticipated First Year Cash on Cash	7.00%
Anticipated Hold Period	7 Years

For more information

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INVESTMENT SUMMARY

Offering Summary	<p>Investors have the confidential opportunity to invest in the Walgreen's - Anoka, a free standing retail building constructed for Walgreen's in 1994 with a net lease in-place through December 31, 2064, Cancelable every five (5) years from 12.31.2024.</p> <p>The offering is structured as a 1031 DST Investment, whereas an investor may participate in the offering using 1031 exchange proceeds from the sale of a relinquished property.</p>
Sponsor	Legacy Partners DL, Inc.
Offering Structure	Delaware Statutory Trust (DST)
Who May Invest	Accredited Investors Only
Total Project Costs	\$2,973,402
Anticipated First Mortgage Proceeds	\$2,224,000
Equity Available	\$749,402
First Year Net Operating Income	\$202,270
Purchase CAP Rate	6.80%
Anticipated First Year Cash On Cash	7.00%
Expected Distribution Schedule	Monthly
Exit Strategy	The investment strategy is to hold the property for approximately seven (7) years.
Investment Projections	*** Attached as a supplement to this Confidential Offering Summary.

INVESTMENT HIGHLIGHTS

Tenant	Walgreens Boots Alliance - Corporate
Tenant Credit	BBB (S&P and Fitch)
Property Ownership Type	Fee Simple
Location	Intersection of Ferry Street (Highway 169) and Main Street near downtown Anoka, Minnesota
Long Term Lease	The lease is in place through December 31, 2064; subject to the tenant's ongoing termination option every five (5) years. The next termination is scheduled for December 31, 2024.
Lease Type	The lease is considered NNN, whereas the tenant is responsible for all real estate taxes, insurance and common area maintenance. The Landlord is responsible for all structural elements of the property, the roof and parking lot (replacement only).
Redevelopment Potential	The subject site offers excellent redevelopment potential. Current zoning and future land guidance is suggested as a mixed use type development.

Property Photos



Property Details

LOCATION INFORMATION

Building Name	Walgreens
Street Address	1911 South Ferry Street
City, State, Zip	Anoka, MN 55303
County	Anoka
Market	NW Metro Retail
Sub-market	Anoka County
Cross-Streets	Ferry Street (US Hwy 169) & Main Street
Side Of The Street	West
Signal Intersection	Yes
Road Type	Highway Interchange
Market Type	Medium
Nearest Highway	US Hwy 10
Nearest Airport	MSP

BUILDING INFORMATION

Occupancy %	100%
Tenancy	Single
Number Of Floors	1
Year Built	1994
Gross Leasable Area	13,450 SF
Construction Status	Existing
Free Standing Building	Yes

PARKING & TRANSPORTATION

Parking Type	Surface
Total Parking Spaces	59
ADA Parking Stalls	3
Parking Ratio	4.4/1,000

PROPERTY INFORMATION

Property Subtype	Free Standing Building
APN #	01-31-25-44-0113
Land Size	1.71 Acres
Land Square Feet:	74,409
Zoning	MS - Mainstreet Mixed-Use, with a West Main Sub-District and a 40' building height restriction

UTILITIES & AMENITIES

Central HVAC	Yes
Gas / Propane	Natural Gas



Property Location



Aerial Photos



About Walgreens

Nasdaq: WBA



ABOUT WALGREENS

Walgreens Boots Alliance, Inc. is one of the largest drugstore chains in the United States. Walgreens is a healthcare powerhouse created in 2014 from the merger of Walgreens and Alliance Boots. Walgreens Boots Alliance, Inc. is currently the largest retail pharmacy in the US and Europe with more than 18,500 Stores in over 11 countries. Walgreens are typically located on the corner of signalized intersections in over 9,500 locations in the US. The company is publicly traded on the NASDAQ (WBA) with a market capitalization in excess of \$48 billion. Both Walgreens and Walgreens Boots Alliance are investment-grade rated each with a Standard & Poor's and Fitch ratings of BBB (Investment Grade).

Lease Summary

LEASE SUMMARY

Tenant	Walgreens
Lease Documents	Original Lease entered into on December 10, 1994, and subsequently amended with two (2) amendments.
Leased Area	13,450 SF
Lease Term	Seventy (70) Years
Commencement Date	December 10, 1994
Expiration Date	December 31, 2064
Remaining Lease Term	Forty-Five (45) Years
Monthly Base Rent	\$16,855.75 / Month
Annual Base Rent	\$202,269.00; or \$15.04 per SF
Base Rent Increases	None. Flat for the Term.
Lease Type	Net, Net
Landlord Responsibilities	Roof, structure and parking lot (replacement only).
Termination Rights	Tenant has termination rights every five (5) years, starting which started in 2014. Tenant has waived these rights in 2014 and 2019. Tenant must also provide a 180 day notice.
Early Termination Dates	12/31/2024,12/31/2029, 12/31/2034,12/31/2039 12/31/2044,12/31/2049 12/31/2054,12/31/2059
Guarantor	Walgreens Boots Alliance, Inc.

TENANT OVERVIEW

Tenant	Walgreens Boots Alliance, Inc.
Ownership	Public
Sales Volume	\$131.54 Billion
Market Cap	\$50.138 Billion
Number Of Locations	18,500+



Old and Newcomers

Dominant Tapestry Segment

KEY FACTS



9,869
Total Population



\$220,107
Median Home Value



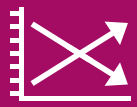
529
Businesses



13,560
Daytime Population



39.6
Median Age



0.6%
2010-18 Pop
Growth Rate



\$29,733
Per Capita Income

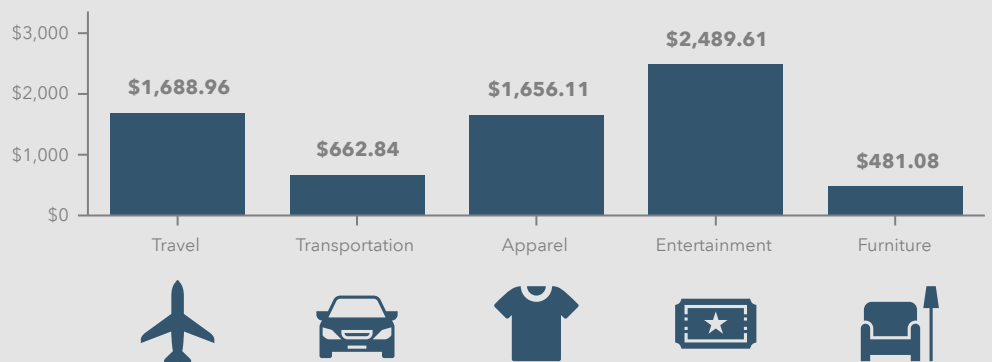


2.2
Avg Household
Size



\$50,044
Median Household
Income

KEY SPENDING FACTS



Soccer Moms

Dominant Tapestry Segment

KEY FACTS



62,347
Total Population



\$236,326
Median Home Value



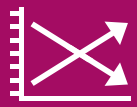
1,981
Businesses



60,103
Daytime Population



38.3
Median Age



0.7%
2010-18 Pop
Growth Rate



\$35,426
Per Capita Income

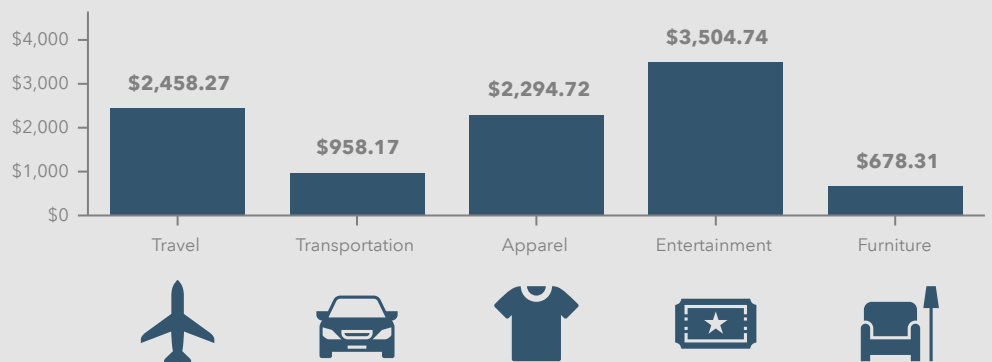


2.6
Avg Household
Size



\$76,665
Median Household
Income

KEY SPENDING FACTS



esri®

Home Improvement

Dominant Tapestry Segment

KEY FACTS



134,830
Total Population



\$241,709
Median Home Value



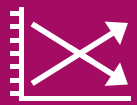
3,235
Businesses



108,570
Daytime Population



37.9
Median Age



0.9%
2010-18 Pop
Growth Rate



\$36,957
Per Capita Income

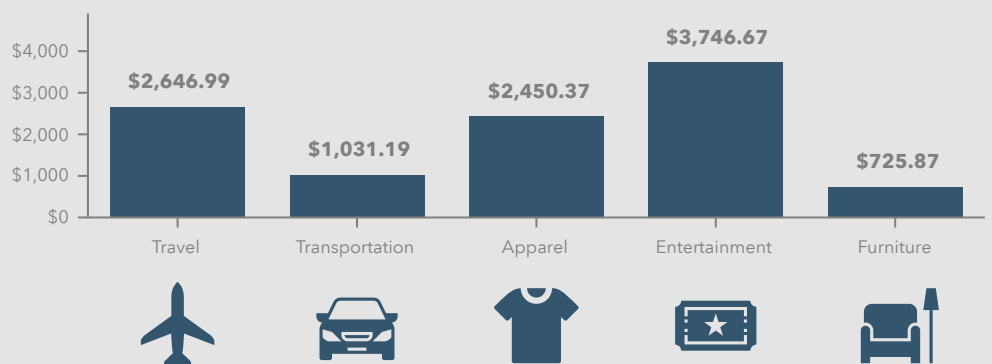


2.7
Avg Household
Size



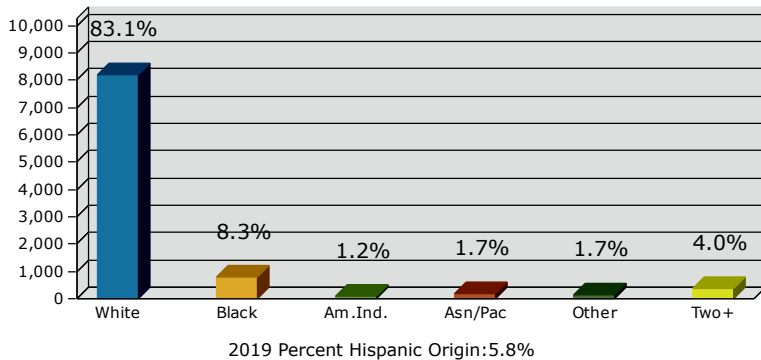
\$81,961
Median Household
Income

KEY SPENDING FACTS

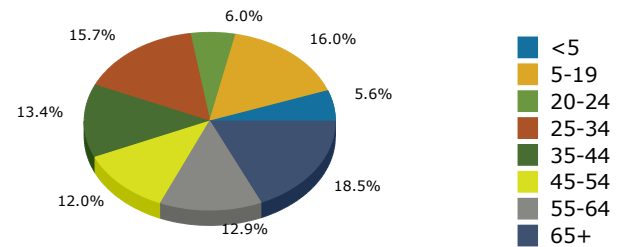


esri®

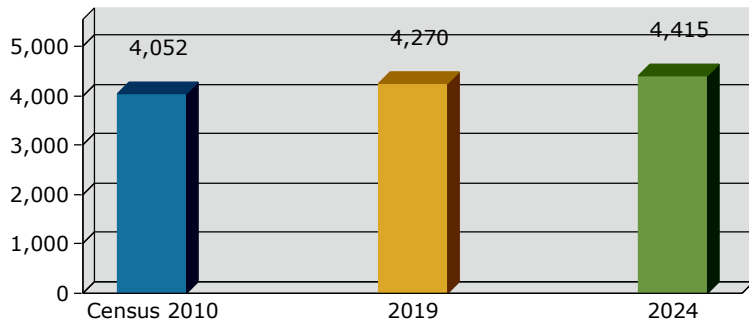
2019 Population by Race



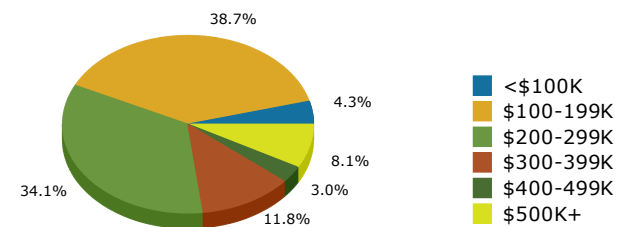
2019 Population by Age



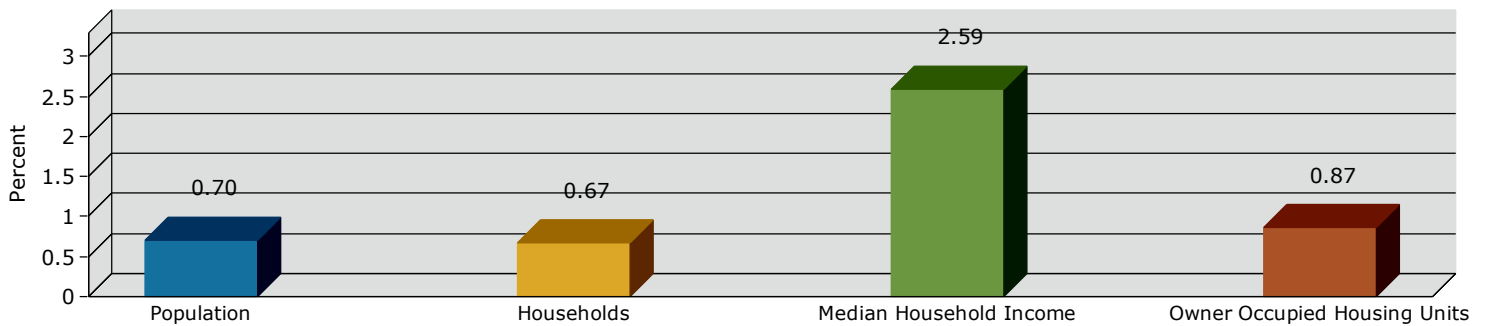
Households



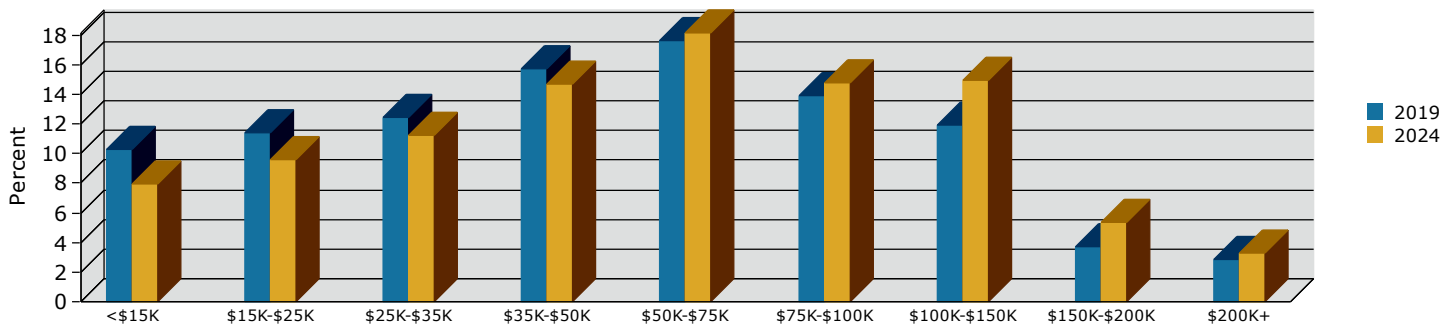
2019 Home Value



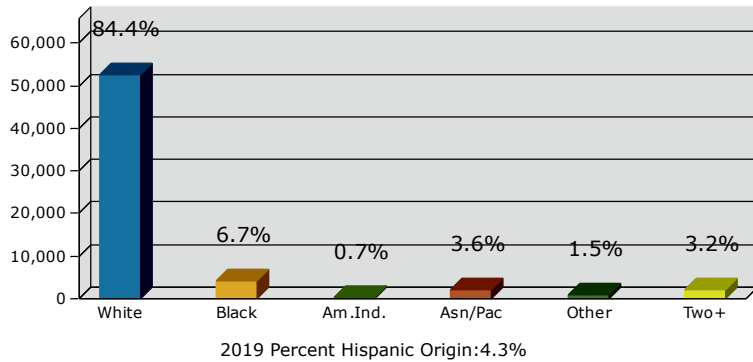
2019-2024 Annual Growth Rate



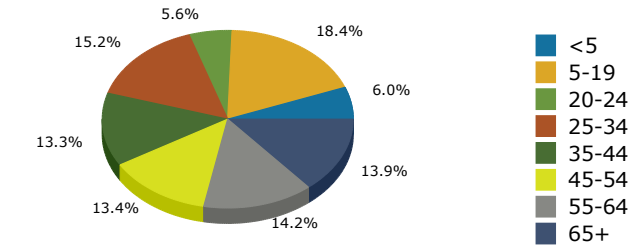
Household Income



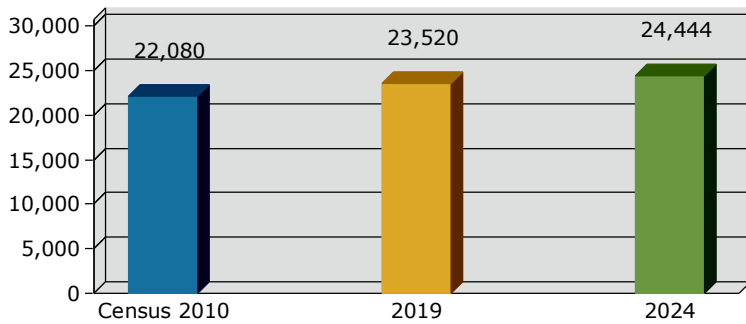
2019 Population by Race



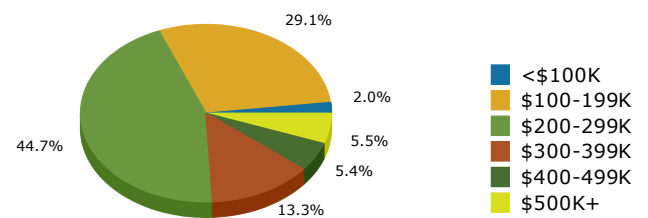
2019 Population by Age



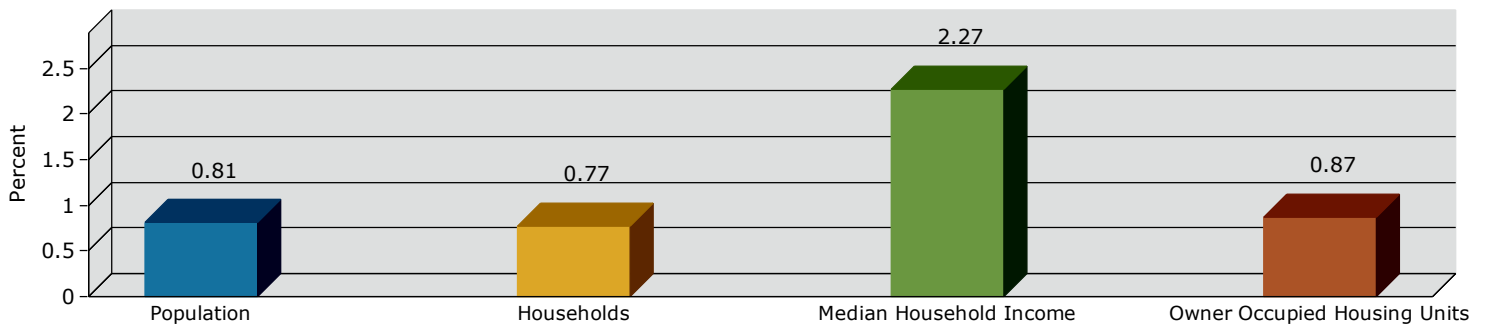
Households



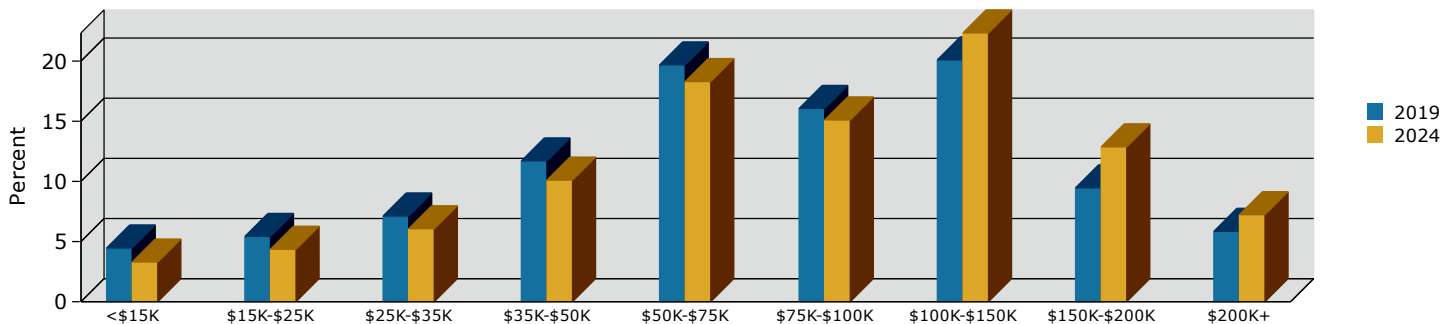
2019 Home Value



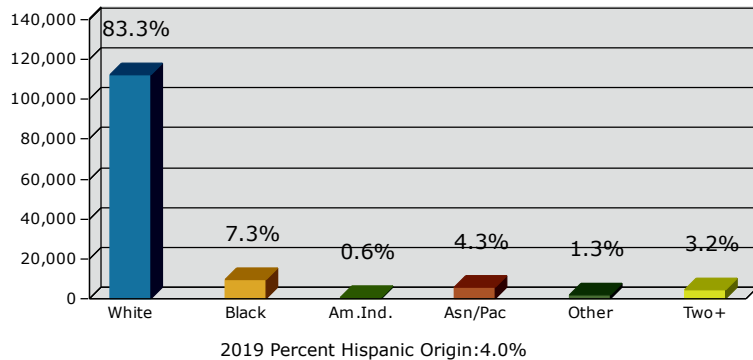
2019-2024 Annual Growth Rate



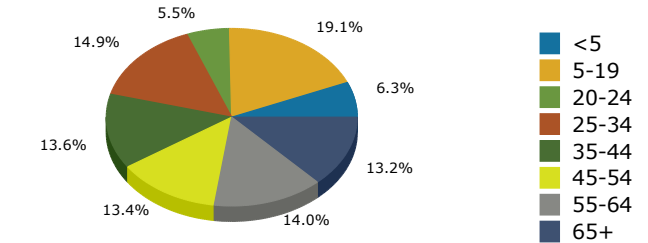
Household Income



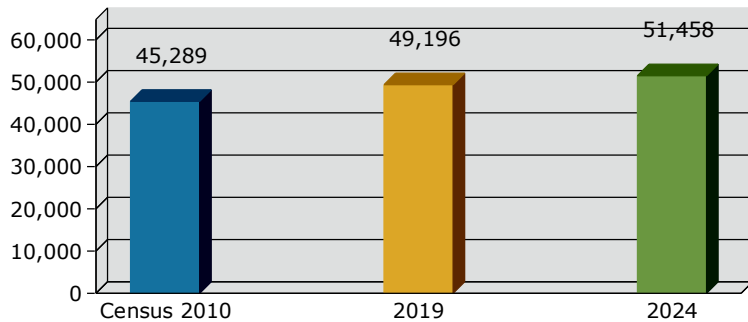
2019 Population by Race



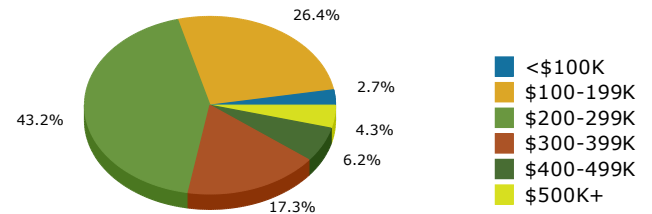
2019 Population by Age



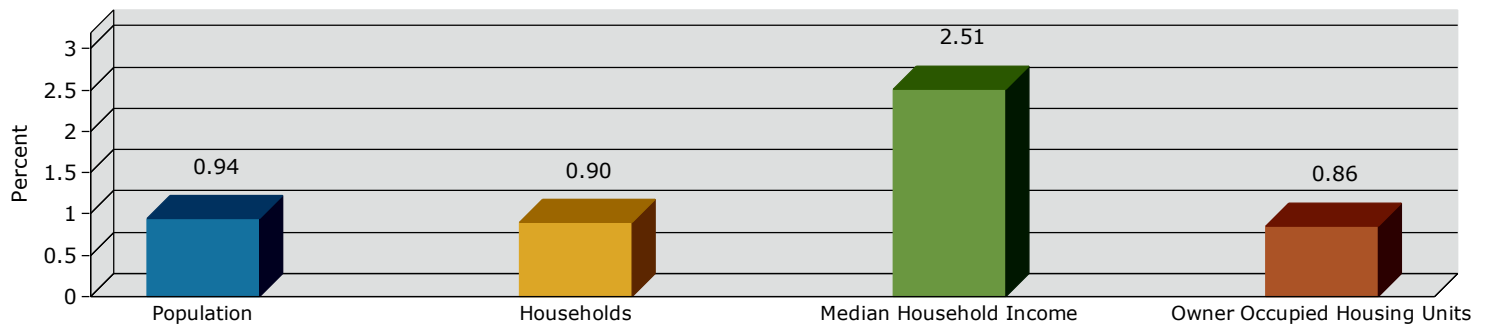
Households



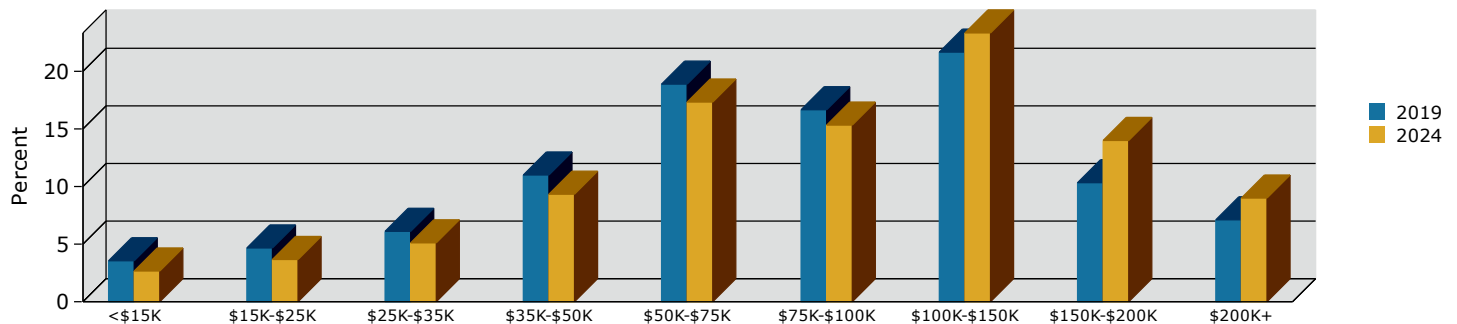
2019 Home Value



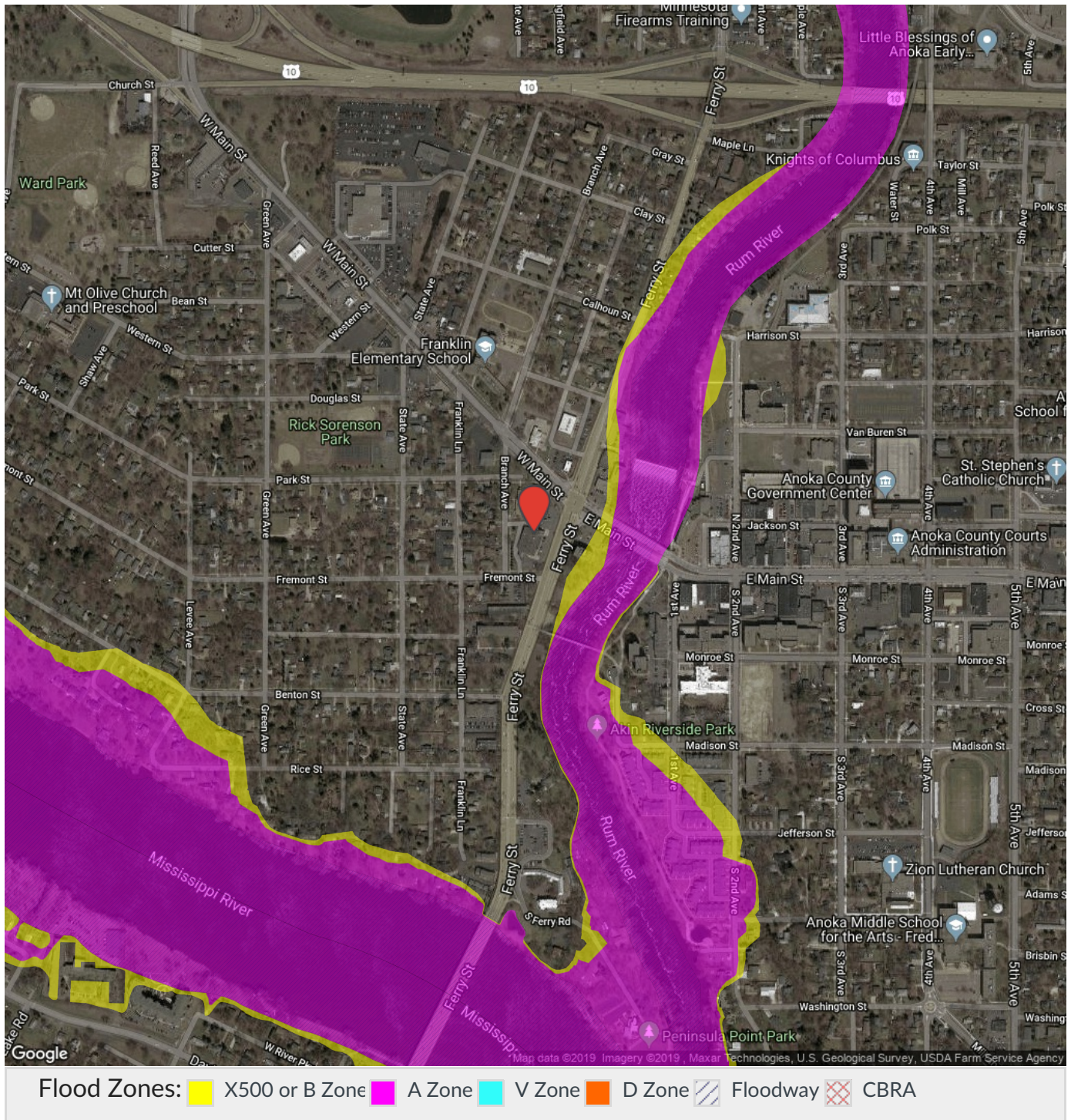
2019-2024 Annual Growth Rate



Household Income



Overview Map



1911 S FERRY ST ANOKA, MN 55303

LOCATION ACCURACY: 📍 Excellent

Flood Zone Determination Report

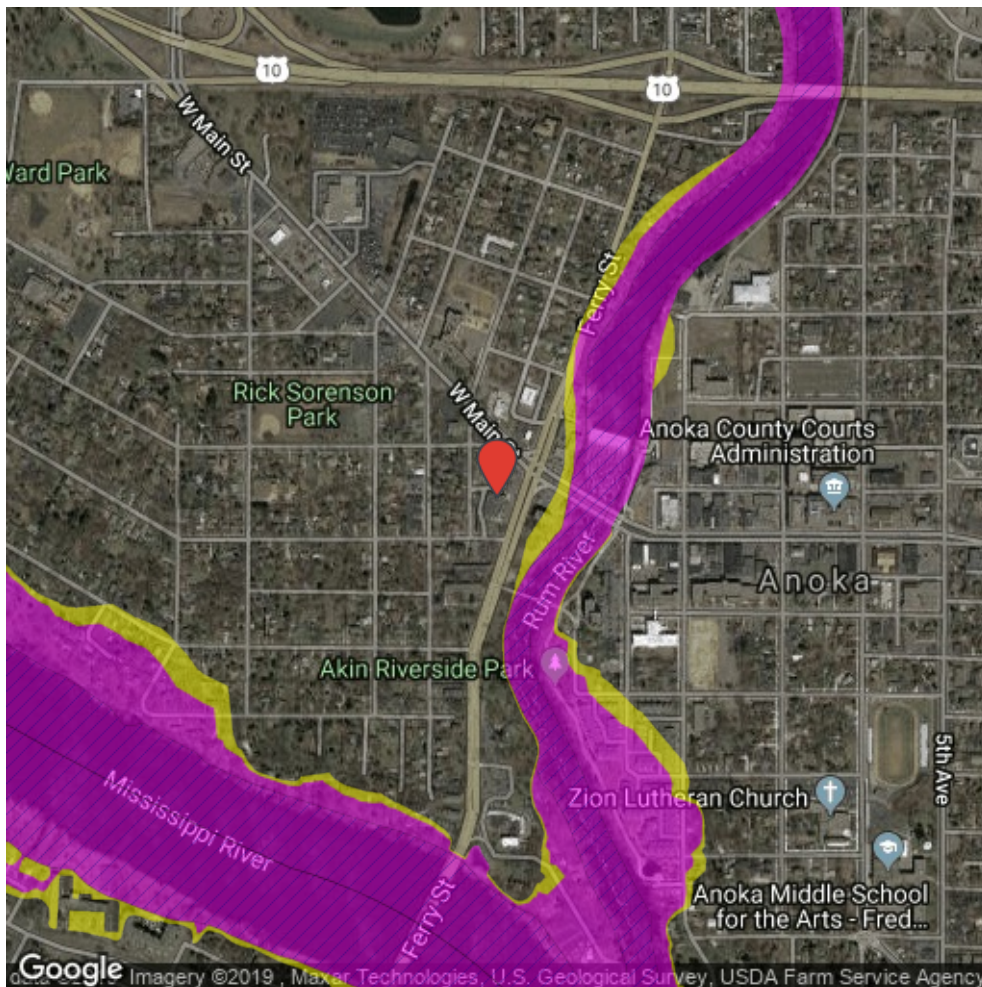
Flood Zone Determination: **OUT**

PANEL DATE

December 16, 2015

MAP NUMBER

270030284E



- X500 or B Zone
- A Zone
- V Zone
- D Zone
- Floodway
- CBRA