

1405 Avenue J | Brooklyn, NY 11230

Long-Term NNN Leased to Walgreens

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Highlights

- Property is NNN leased to Walgreens, with a corporate guarantee through 2027 with 4 5-year renewal options
- 10% rent increases every 5 years, with the next increase occurring in 2023 increasing the rent to \$767,455
- Strong retail corridor with many credit tenants such as 7-Eleven, Dunkin', Chase, TD Bank, Citibank, & T-Mobile
- 60 feet of frontage
- Walgreens S&P Credit Rating: BBB
- 7,440± SF of unused air rights offers an investor the ability to increase the size of the property

Avison Young, as exclusive agent, is pleased to offer for sale, 1405 Avenue J, a three-story retail Property in the Midwood neighborhood of Brooklyn. The Property has 13,200± square feet and is fully occupied by Walgreens. Located on the north side of Avenue J between East 14th and East 15th streets, the Property is less than a block from the Avenue J entrance to the B and Q subway lines.

The Property is currently NNN leased to Walgreens, the second largest pharmacy store chain in the United States. The net lease allows for steady cash flow with minimal management responsibility. The tenant is in year 13 of a 20-year lease with four, five-year options at the greater of fair market rent or a scheduled rent. There are also 7,440 square feet of available air rights, unlocking potential future income and development.

Asking Price: \$13,950,000

Property Information

Market	Midwood, Brooklyn 11230
Block / Lot	6707 / 49
Lot Dimensions	60' x 100'
Lot SF	6,000 ±
Stories	3
Building Dimension	60' x 100'
Total SF	13,200 ±
Zoning	C4-4A
Maximum ZFA	20,640 ±
Air Rights SF	7,440 ±
RE Tax Assessment (20/21)	\$693,315
RE Taxes (20/21)	\$73,054

For more information, click here:
AYTriStateInvestmentSales.com

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Tenant Details

Tenant	Walgreens
Floors	1-3
Use	Pharmacy / Convenience Store
Square Footage	13,200
Lease Commencement	12/8/07
Lease Expiration	12/31/27
Lease Term	20 Years
Option to Renew	Four five-year options to renew at greater of pre-stated rent schedule or fair market rent
RE Tax Reimbursement	100%
Utilities	Tenant Pays
Guarantee	Corporate

Lease Years		Annual Rent
1 - 5	12/8/07 through 12/31/12	\$576,600
6 - 10	1/1/13 through 12/31/17	\$634,260
11 - 15	1/1/18 through 12/31/22	\$697,860
16 - 20	1/1/23 through 12/31/27	\$767,455
21 - 25	1/1/28 through 12/31/32	\$844,200*
26 - 30	1/1/28 through 12/31/37	\$928,620
31 - 35	1/1/38 through 12/31/42	\$1,021,482
36 - 40	1/1/43 through 12/31/47	\$1,123,630

**If option to extend is executed, in year 21 the greater of "Fair Market Rent" or \$844,200 with 10% increases every 5 years*

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Walgreens

Founded in 1901, Walgreens is one of the largest pharmaceutical drug retailers in the United States. Headquarter outside of Chicago in Deerfield, Illinois, Walgreens is comprised of three major divisions including, Retail Pharmacy USA; Retail Pharmacy International; and Pharmaceutical Wholesale. After the company agreed to purchase Switzerland-based Alliance Boots in 2014, the two companies merged to form Walgreens Boots Alliance Inc. Walgreens operates as a subsidiary of the holding company, which trades on the Nasdaq under WBA.

For 119 years, Walgreens has seen steady growth. In February of 2010, Walgreens announced plans to acquire New York City-area chain Duane Reade, in which it now operates in the New York City Area. In 2017, Walgreens

purchased half of Rite Aid's stores, adding 1,932 stores to its portfolio. As of 2019, Walgreens Boots Alliance has more than 18,750 stores in 11 countries.

The Retail Pharmacy division which includes both Walgreens and Duane Reade sells both prescription and over-the-counter medicine, in addition to general health and wellness products. Currently, the corporation operates 9,277 retail stores located in all 50 states in addition to the District of Colombia, Puerto Rico, and the U.S. Virgin Islands. The company is publicly traded and considered an investment grade tenant with its long-term debt rated BBB by Standard & Poors and Baa2 by Moody's, making it among the most desirable retailers for investors. The location at 1405 Avenue J is one of over 150 locations in New York City.



9,277
Total Locations



S&P: BBB
Credit Rating



WBA
Stock Symbol



\$136.8 B
2019 Revenue



1901
Year Founded