

*Walgreens*



\*REPRESENTATIVE PHOTO



OFFERING  
MEMORANDUM

# WALGREENS

## ABSOLUTE NNN LEASED OFFERING

1700 PACIFIC BLVD SE, ALBANY, OR 97321

# PRESENTED BY:

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# TABLE OF CONTENTS

04	<b>INVESTMENT OVERVIEW</b>
05	<b>FINANCIAL SUMMARY</b>
06	<b>TENANT OVERVIEW</b>
07	<b>LOCATION AERIAL</b>
08	<b>REGIONAL OVERVIEW</b>
09	<b>DEMOGRAPHICS</b>
10	<b>AREA OVERVIEW</b>



# INVESTMENT OVERVIEW



The subject property is a 13,650 SF building, leased to Walgreens (WBA) on an absolute NNN lease. The asset is surrounded by major retailers including Safeway, Lowe's Home Improvement, Marshalls, Target, and McDonald's. The original twenty year lease commenced in 1999. It also benefits from its location at a signalized intersection and the site has heavy traffic counts of 16,000 VPD. Given the strength of the store, Walgreens recently extended an additional 15 years with 5% increases every 5 years, showing commitment to the location. The lease calls for zero landlord obligations.

## INVESTMENT HIGHLIGHTS

**ABSOLUTE NNN LEASE; NO LANDLORD OBLIGATIONS**

**RARE RENT INCREASES EVERY FIVE YEARS**

**INVESTMENT GRADE TENANT**

**100% FEE SIMPLE INTEREST**

**RECENTLY EXTENDED NEW LEASE SHOWS  
COMMITMENT TO THE PROPERTY**

**STRONG STORE REPORTED SALES**

## OFFERING SPECIFICATIONS

**PRICE** \$7,945,000

**CAP RATE** 5.35%

**NET OPERATING INCOME** \$425,000

**SQUARE FOOTAGE** 13,650

**LOT SIZE** 1.10 AC

**MARKET** PORTLAND

# FINANCIAL SUMMARY

## WALGREENS • ABSOLUTE NNN LEASED OFFERING

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**\$7,945,000 • 5.35%**

### SUMMARY

TENANT NAME	WALGREENS
SQUARE FOOTAGE	13,650
TERM STARTS	1/21/2020
TERM ENDS	1/20/2035
ANNUAL RENT	\$425,000
OPTIONS	Eight, Five-Year
INCREASES	5% Every 5 Years

### OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
YEARS 1-5	\$425,000	5.35%
YEARS 6-10	\$446,250	5.62%
YEARS 11-15	\$468,562	5.90%

# TENANT OVERVIEW

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**PUBLICLY TRADED**  
NASDAQ: WBA



**9,500+** LOCATIONS



**415,000+** EMPLOYEES

## WALGREENS

Walgreen Company or simply Walgreens is an American company that operates as the second-largest pharmacy store chain in the United States behind CVS Health. It specializes in filling prescriptions, health and wellness products, health information, and photo services. As of August 31, 2018, the company operated 9,560 stores in all 50 states, the District of Columbia and the US territories of Puerto Rico and the U.S. Virgin Islands. It was founded in Chicago, Illinois, in 1901. The Walgreens headquarters office is in the Chicago suburb of Deerfield, Illinois.

In 2014 the company agreed to purchase the remaining 55% of Switzerland-based Alliance Boots that it did not already own to form a global business. Under the terms of the purchase, the two companies merged to form a new holding company, Walgreens Boots Alliance Inc., on December 31, 2014. Walgreens became a subsidiary of the new company, which retains its Deerfield headquarters and trades on the Nasdaq under the symbol WBA

A typical Walgreens store is about 14,500 square feet with 11,000 square feet of sales area. They offer nearly 25,000 items for sale and typically staff between 25 and 30 people per store. On average, one store pulls in \$8.5 million in annual sales. Most stores include a pharmacy, photo lab, cosmetics counter, and a general merchandise area. Select stores in metropolitan Chicago, Florida, Atlanta, Kansas City, Nashville, Las Vegas, and St. Louis now include Walgreens TakeCare Health Clinics where certified (primarily nurse practitioners, and in some states, registered pharmacist) staff diagnose, treat, and prescribe for common illnesses and can also issue vaccinations and physicals in select locations. These clinics are open 7 days a week; including evenings and weekends with no appointments necessary and with acceptance of most major insurance plans. If a patient uses the TakeCare Clinic, their prescription is automatically processed through Walgreens' Intercom Plus Pharmacy System as a waiting prescription, so in most stores, the prescription is ready to be picked up in 15 to 20 minutes.

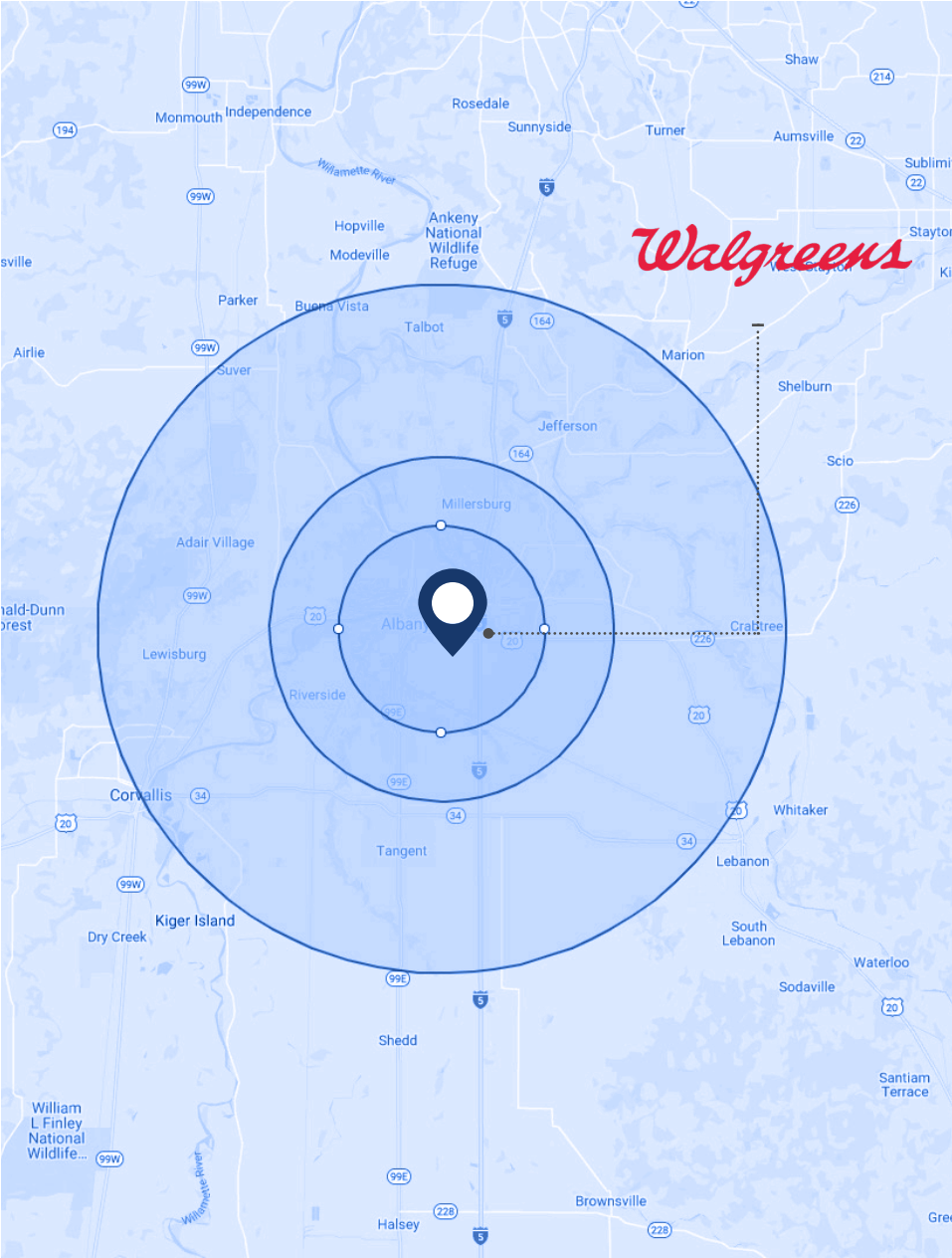
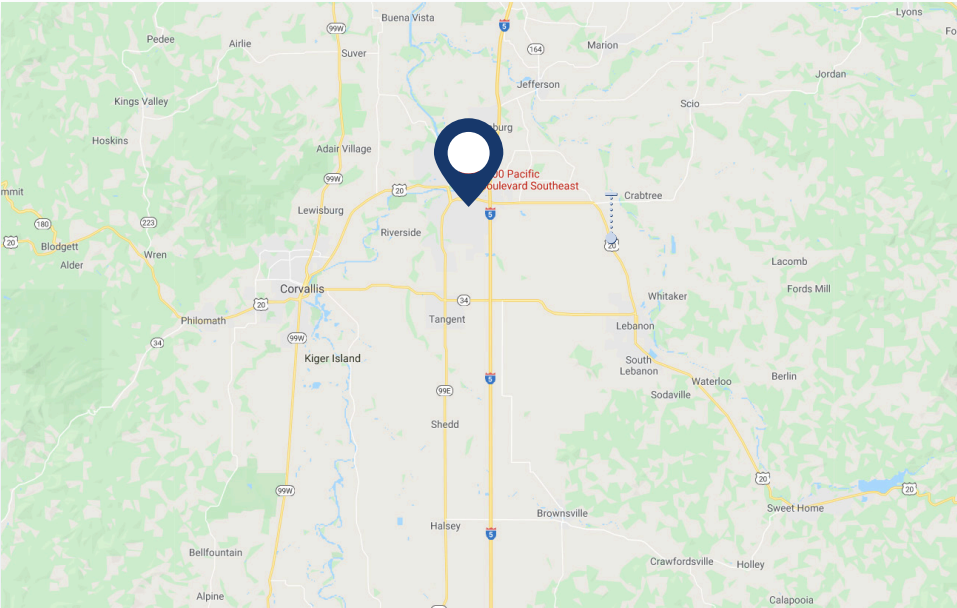
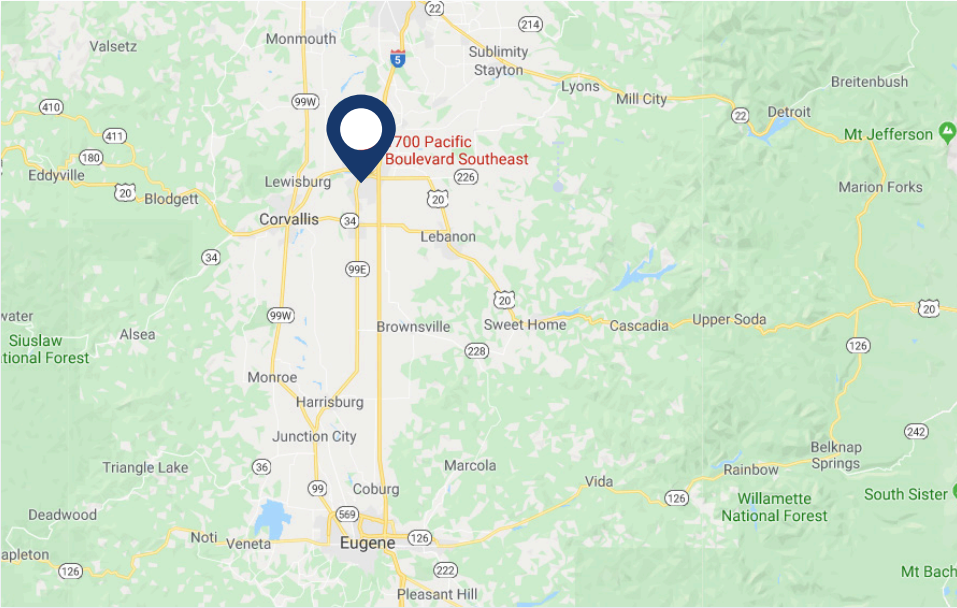


# LOCATION AERIAL



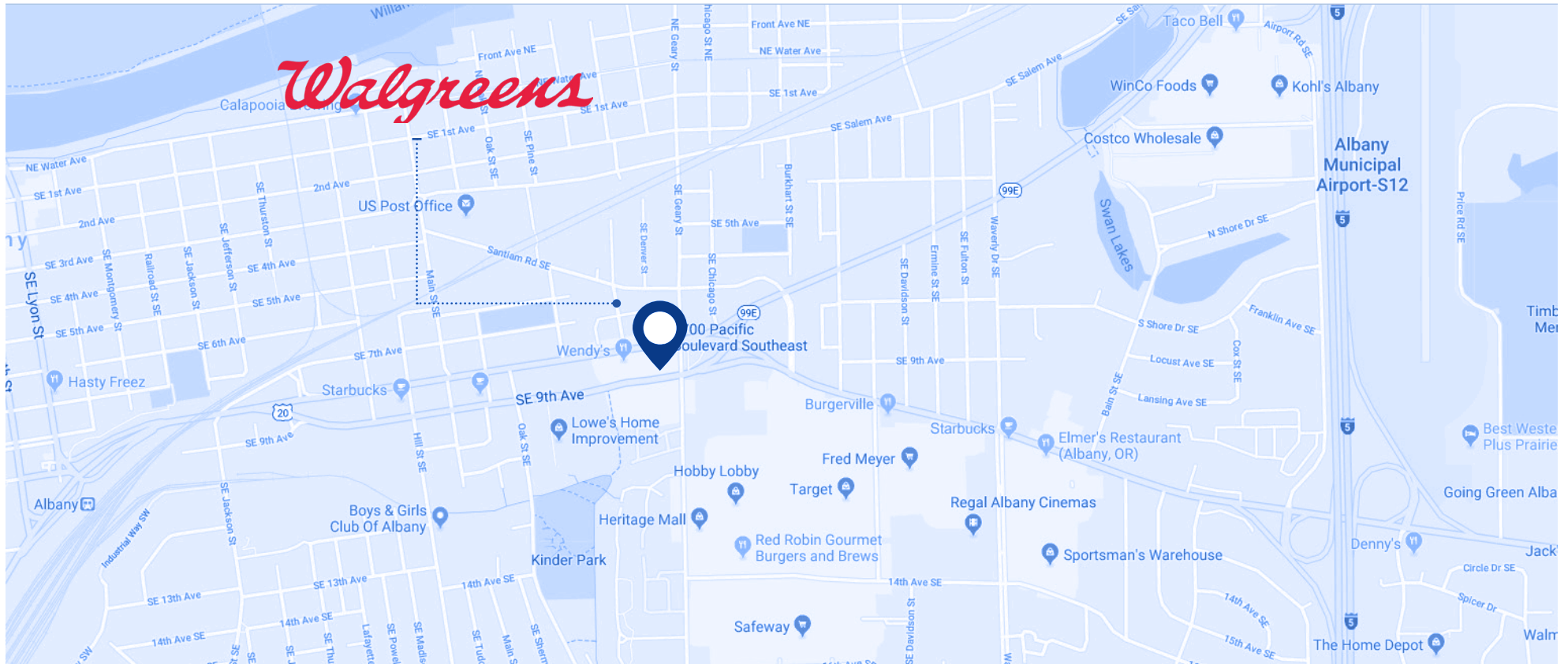


# REGIONAL OVERVIEW





# DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
<b>TOTAL POPULATION</b>	<b>53,532</b>	<b>61,959</b>	<b>92,234</b>
<b>TOTAL HOUSEHOLDS</b>	<b>20,970</b>	<b>24,263</b>	<b>36,767</b>
<b>AVERAGE HOUSEHOLD INCOME</b>	<b>\$71,522</b>	<b>\$73,469</b>	<b>\$77,266</b>
<b>AVERAGE AGE</b>	<b>38.60</b>	<b>39.10</b>	<b>40.20</b>

# AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	53,532	61,959	92,234
TOTAL HOUSEHOLDS	20,970	24,263	36,767
PERSONS PER HOUSEHOLD	2.50	2.50	2.50
AVERAGE HOUSEHOLD INCOME	\$71,522	\$73,469	\$77,266
AVERAGE HOUSE VALUE	\$190,937	\$203,975	\$230,154
AVERAGE AGE	38.60	39.10	40.20
WHITE	49,137	57,010	84,667
BLACK	593	636	901
AM. INDIAN & ALASKAN	897	1,016	1,463
ASIAN	806	958	1,787
HAWAIIAN & PACIFIC ISLAND	140	157	224
OTHER	1,958	2,183	3,193

## ALBANY, OREGON

Albany is the county seat of Linn County, and the 11th largest city in the State of Oregon. Albany is located in the Willamette Valley at the confluence of the Calapooia River and the Willamette River in both Linn and Benton counties, just east of Corvallis and south of Salem. It is predominantly a farming and manufacturing city that settlers founded around 1848. As of the 2010 United States Census, the population of Albany was 50,158. Its population was estimated by the Portland Research Center to be 54,453 in 2018.



# *Walgreens*

**ALBANY, OREGON**



**The Kase Group**

## **OFFERING MEMORANDUM**

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