

Walgreens



*ACTUAL SITE PHOTO



OFFERING
MEMORANDUM

WALGREENS
ABSOLUTE NNN LEASED OFFERING

1055 EAST MAIN STREET ALICE, TX

OFFERING MEMORANDUM
PRESENTED BY:

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To the extent Owner or any agent of Owner corresponds with any prospective purchaser, any prospective purchaser should not rely on any such correspondence or statements as binding Owner. Only a fully executed Real Estate Purchase Agreement shall bind the property and each prospective purchaser proceeds at its own risk.

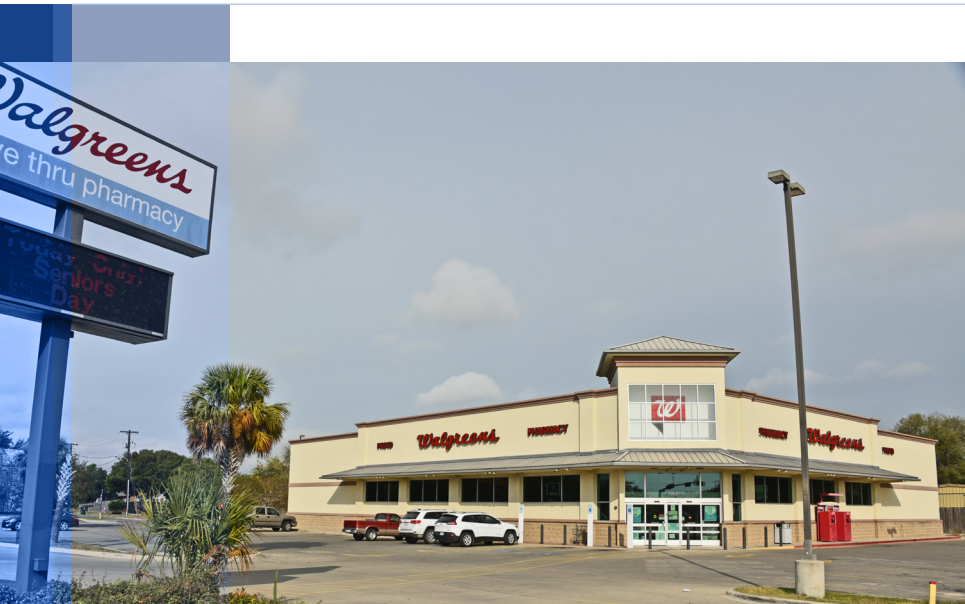
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INVESTMENT OVERVIEW



The subject property is a net leased Walgreens in Alice, Texas. The new 15 year absolute NNN lease calls for zero landlord obligations. The tenant has twelve, 5 year options to renew with rare 5% increases every 5 years and at each option period. The property is well-situated on a major retail corridor surrounded by national retailers including nearby retailers include H-E-B, McDonald's, Whataburger, Sonic Drive-In, Family Dollar, Sears Hometown Store and many others. This location is heavily trafficked and there are 17,577 VPD along East Main Street.

INVESTMENT HIGHLIGHTS

WALGREENS ABSOLUTE NNN LEASED OFFERING
100% FEE SIMPLE INTEREST
ZERO LANDLORD OBLIGATIONS
SCHEDULED INCREASES IN RENT
S&P RATED BBB INVESTMENT GRADE CREDIT
INCOME TAX FREE STATE
WELL SITUATED ON A MAJOR COMMERCIAL THOROUGHFARE
HEAVY TRAFFIC COUNTS OF 17,577 VPD

OFFERING SPECIFICATIONS

PRICE	\$5,700,000
CAP RATE	5.20%
NET OPERATING INCOME	\$296,400
SQUARE FOOTAGE	14,820
LOT SIZE	1.70 AC
YEAR BUILT	2007

FINANCIAL SUMMARY

WALGREENS • ABSOLUTE NNN LEASED OFFERING

1055 EAST MAIN STREET ALICE, TX

\$5,700,000 • 5.20%

SUMMARY

TENANT NAME	Walgreens
SQUARE FOOTAGE	14,820
LEASE STARTS	3/1/2020
LEASE ENDS	2/28/2035
ANNUAL RENT	\$296,400
OPTIONS	TWELVE, 5-YEAR OPTIONS
INCREASES	5% EVERY 5 YEARS AND IN OPTIONS

OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
YEARS 1-5	\$296,400	5.20%
YEARS 6-10	\$311,220	5.46%
YEARS 11-15	\$326,781	5.73%

TENANT OVERVIEW



PUBLICLY TRADED
NASDAQ: WBA



9,560 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. Walgreens is rated BBB by S&P Investment Grade Credit

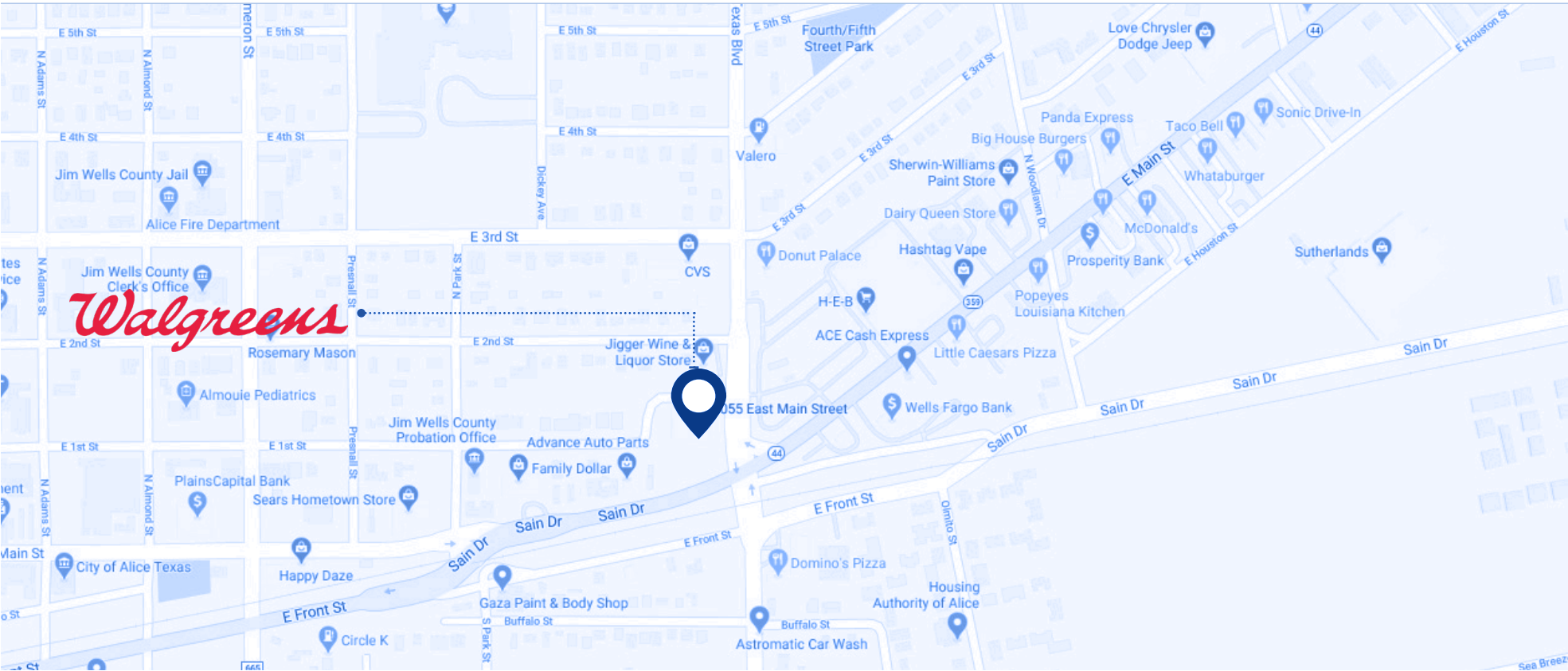
A typical Walgreens store is about 14,500 square feet with 11,000 square feet of sales area. They offer nearly 25,000 items for sale and typically staff between 25 and 30 people per store. On average, one store pulls in \$8.5 million in annual sales. Most stores include a pharmacy, photo lab, cosmetics 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





DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	22,025	24,067	29,250
TOTAL HOUSEHOLDS	7,613	8,274	9,946
AVERAGE HOUSEHOLD INCOME	\$60,338	\$61,558	\$63,312
AVERAGE AGE	35.80	35.80	35.90

AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	22,025	24,067	29,250
TOTAL HOUSEHOLDS	7,613	8,274	9,946
PERSONS PER HOUSEHOLD	2.90	2.90	2.90
AVERAGE HOUSEHOLD INCOME	\$60,338	\$61,558	\$63,312
AVERAGE HOUSE VALUE	\$79,980	\$81,679	\$82,263
AVERAGE AGE	35.80	35.80	35.90
WHITE	21,243	23,224	28,249
BLACK	225	232	259
AM. INDIAN & ALASKAN	239	265	329
ASIAN	128	138	160
HAWAIIAN & PACIFIC ISLAND	10	11	16
OTHER	180	196	236

ALICE, TEXAS

Alice is located in central Jim Wells County. Alice falls within the boundaries of South Texas and the Texas Coastal Bend region.

U.S. Route 281 passes just west of the city limits on a bypass. The highway leads north 41 miles (66 km) to George West and south 37 miles (60 km) to Falfurrias. Texas State Highway 44 passes through the center of town as Front Street and leads east 26 miles (42 km) to Robstown and west 35 miles (56 km) to Freer. Texas State Highway 359 joins SH 44 through the center of Alice, but leads northeast 30 miles (48 km) to Mathis and southwest 53 miles (85 km) to Hebbronville.

The nearest metropolitan areas are Corpus Christi, 45 miles (72 km) to the east, and Laredo, 98 miles (158 km) to the west.

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