

An aerial photograph of a Walgreens store located at 18620 E Iliff Ave in Aurora, CO. The store is a single-story brick building with a flat roof featuring several HVAC units. It has large glass windows and doors on the corner. The parking lot is filled with various cars, including a white semi-truck and a red pickup truck. In the background, there is a dense residential neighborhood with many houses and some trees with autumn-colored leaves. The sky is blue with some light clouds.

# WALGREENS

18620 E Iliff Ave | Aurora, CO 80013

OFFERING MEMORANDUM



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**MATTHEWS**<sup>TM</sup>  
REAL ESTATE INVESTMENT SERVICES

**Walgreens**







*Walgreens*



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***Walgreens***

**18620 E Iliff Ave | Aurora, CO**

**OFFERING MEMORANDUM**





S. TOWER RD  
± 26,000 VPD

E. ILIFF AVE  
± 25,000 VPD

# Walgreens





**ARKANAS**  
ELEMENTARY SCHOOL



**BUCKLEY AIR  
FORCE BASE**  
**AURORA  
COLORADO**

- NAMED AFTER WWI ARMY PILOT FIRST LIEUTENANT JOHN HAROLD BUCKLEY
- MINUTES AWAY AND IS HOME TO SOME OF AMERICA'S FINEST MILITARY TROOPS
- IT SERVES MORE THAN 92,000 ACTIVE DUTY, NATIONAL GUARD, RESERVE AND RETIRED PERSONNEL THROUGHOUT THE FRONT RANGE COMMUNITY

**IOWA**  
ELEMENTARY SCHOOL

  
**ASPEN  
RIDGE**  
LUXURY APARTMENTS

 **MRACHEK**  
TITANS MIDDLE SCHOOL

S. TOWER RD  
± 26,000 VPD



**RANGEVIEW**  
HIGH SCHOOL

E. ILIFF AVE  
± 25,000 VPD



**VASSAR**  
ELEMENTARY SCHOOL

**SIDE  
CREEK  
ELEMENTARY**  
  
**WOLVERINES**

***Walgreens***



# EXECUTIVE OVERVIEW

## INVESTMENT HIGHLIGHTS

- **Historically Strong Sales** - This store has been consistently performing well over the last 3 years - contact broker for more details.
- **Top 20 MSA** - The Denver MSA has a population of nearly 3 million, which is a 15%+ growth since 2010.
- **Zero Landlord Responsibilities** - Tenant takes care of taxes, insurance, and all maintenance, offering a “hands off” passive investment for both locals and out-of-state investors.
- **Multi-Billion Dollar Tenant** - Walgreens has over 9,200 drug stores across the country that generate \$136 Billion in sales and \$3.9 Billion in net earnings. They have strong BBB investment grade credit (S&P) and with a current market cap of roughly \$40+ Billion.
- **Busy Intersection** - Subject property sits near the intersection of S Tower Rd and E Iliff Ave, which ushers +/-50,000 cars per day in front of the store.
- **School HUB** - Subject property is surrounded by 113,000 households within 5 miles and is central to Sidecreek Elementary School, Mrachek Middle School, and Rangeview High School which is a Top 5 high school in the district.
- **Nearby Air Force Base** - Buckley AFB, named after WWI Army pilot First Lieutenant John Harold Buckley, is only minutes away and is home to some of America’s finest military troops. It serves more than 92,000 active duty, National Guard, Reserve and retired personnel throughout the Front Range community
- **Dense Submarket** - There are just over 300,000 residents within 5 miles with an expected 5% growth over the next 5 years
- **Award-Winning Market** - Denver ranks #3 for Best Places to Live, #4 in Forbes for the Best Places for Business and Careers, and featured on lists such as “30 Top U.S. Cities to visit in 2018, “Top 100 Cities Across the Globe,” and “Best Places to Visit in the United States.”



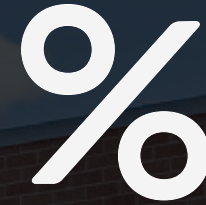
# FINANCIAL OVERVIEW



**\$5,890,000**  
LIST PRICE



**\$368,124**  
NOI



**6.25%**  
CAP RATE

## BUILDING INFO

Address	18620 E Iliff Ave Aurora, CO
APN	1975-27-2-18-001
Year Built	2003
GLA	±14,490 SF
Lot Size	±189,298 SF (±2.05 Acres)

## LOAN QUOTE



Max LTV	70%
Interest Rate	3.70% to 3.90%
Term	5 to 10 years
Amortization:	25 to 30 years

\*Quote provided 4/13/2020 but may vary. Please contact the listing agent for more information at 214-692-2847



## TENANT SUMMARY

Tenant Name	Walgreens
Type of Ownership	Fee Simple
Lessee Entity	Corporate
Lease Type	NNN
Roof and Structure	Tenant Responsible
Term Remaining	±8 Years
Original Lease Term	25 Years
Lease Commencement Date	3/6/03
Lease Expiration Date	3/31/28
Options	8,5-Year
ROFR	Yes, 15 Days

## ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Annual Rent/SF	Cap Rate
Current	\$30,677	\$368,124	\$25.41	6.25%
Options 1-8	\$30,677	\$368,124	\$25.41	6.25%



# TENANT OVERVIEW



## COMPANY NAME

Walgreens

## OWNERSHIP

Public

## YEAR FOUNDED

1901

## INDUSTRY

Drug Store

## HEADQUARTERS

Deerfield, IL

## NO. OF EMPLOYEES

±253,400

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

## WALGREENS HEALTH FOCUS

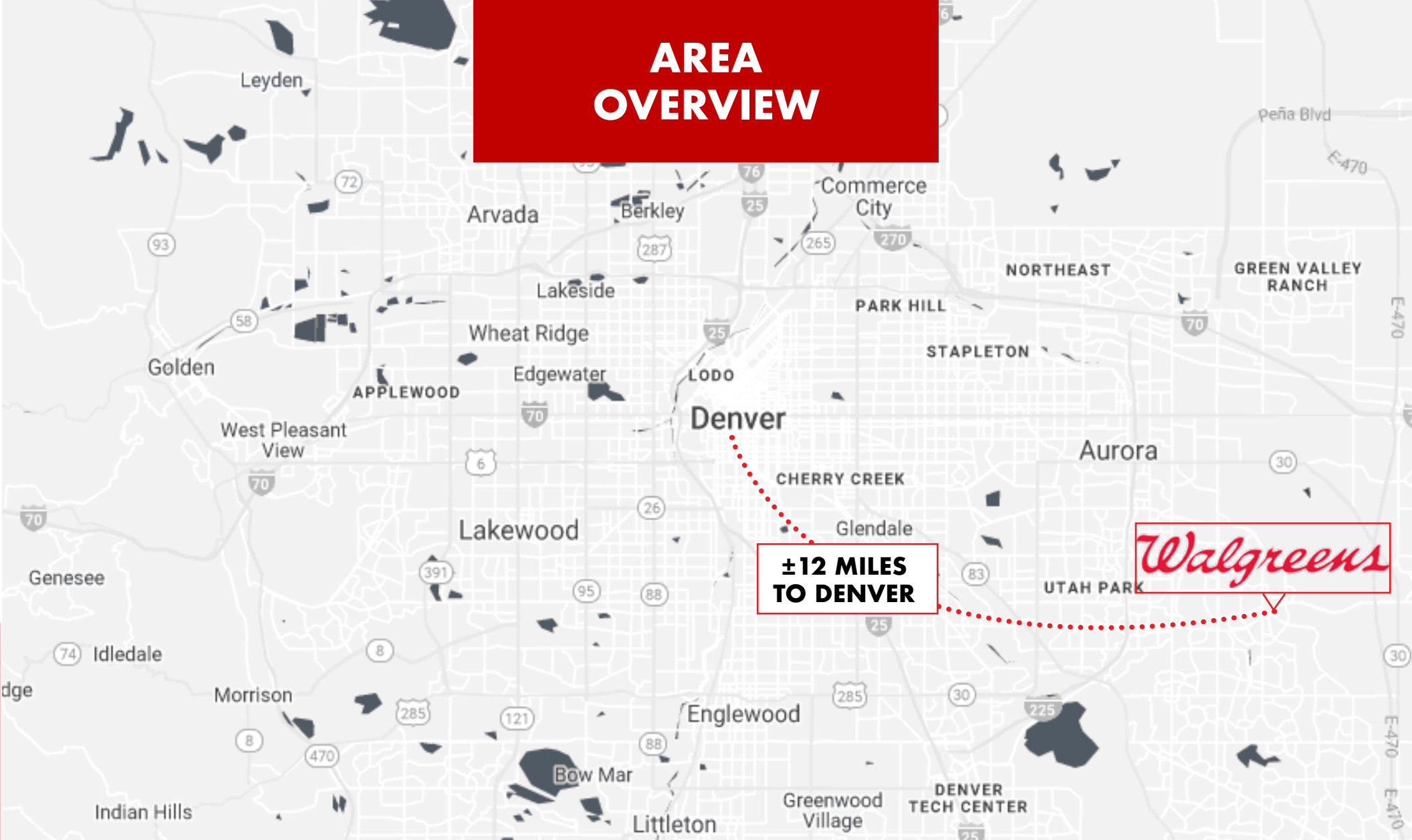
Walgreens' overall value proposition differentiates it from competitors in valuable ways. Specifically, a focus on health gives Walgreens a competitive advantage over other pharmacies. By putting health at the forefront of all aspect of the business and reducing customers' shopping time, Walgreens has achieved placement in a league of its own as competition aims their focus on things such as convenience, design, or low prices.

## MARKETING STRATEGY

Walgreens focuses on customer need and satisfaction. For example, the curbside pick-up service stemmed from the needs of working mothers who don't have the time to go into the store and shop. Creating loyalty amongst patrons is a priority for the company as it keeps them coming back and spending money.



# AREA OVERVIEW



## | AURORA, CO

The City of Aurora is a Home Rule Municipality in the state of Colorado, spanning Arapahoe and Adams counties, with the extreme southeastern portion of the city extending into Douglas County. Aurora is one of the principal cities of the Denver-Aurora-Broomfield, CO Metropolitan Statistical Area (Metro Denver). Aurora is the third most populous city in the state of Colorado and the 56th most populous city in the United States. Denver and Aurora are the principal cities of the Denver Metropolitan Area, which is the 21st most populous MSA in the U.S.). However, Denver and Aurora combined make up less than half of the Denver Metro Area's population and Aurora has approximately half the population of Denver. The estimated population of Metropolitan Denver was 3,214,218 in 2012 (16th most populous CSA).



## DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	25,360	147,932	334,793
2020 Estimate	23,694	139,086	314,413
2010 Census	20,586	123,634	275,241
<b>Growth 2020-2025</b>	<b>7.03%</b>	<b>6.36%</b>	<b>6.48%</b>
<b>Growth 2010-2020</b>	<b>15.10%</b>	<b>12.50%</b>	<b>14.23%</b>
HOUSEHOLD	1-MILE	3-MILE	5-MILE
2025 Projection	8,549	51,481	116,915
2020 Estimate	7,510	45,752	102,632
2010 Census	5,079	40,016	91,081
<b>Growth 2020-2025</b>	<b>6.71%</b>	<b>6.40%</b>	<b>6.51%</b>
<b>Growth 2010-2020</b>	<b>13.84%</b>	<b>12.52%</b>	<b>13.92%</b>
INCOME	1-MILE	3-MILE	5-MILE
2020 Avg Household Income	\$92,941	\$88,834	\$93,846

## MORE ON AURORA, CO

Aurora straddles Interstate 70, Interstate 225 and the E-470 beltway. The Regional Transportation District's light rail transit system was extended to serve the southwestern edge of Aurora on November 17, 2006. The H Line stops at Aurora's Dayton and Nine Mile Stations; a comprehensive network of feeder buses in southern Aurora serve the latter. An extension of light rail along I-225 through the city is planned to connect with a commuter rail line between downtown Denver and Denver International Airport (DIA), both scheduled for completion by 2017 (see FasTracks). Much of Aurora is more convenient to DIA than Denver itself. This proximity is a factor in the expected growth of the E-470 corridor directly south of DIA, projected to eventually accommodate 250,000 additional Aurora residents.

## DENVER, CO

Less than 60 miles away from Fort Collins lies the capital of Colorado. Denver is the largest city in the state and in the shadows of the Rocky Mountains. Today, Denver has a fast-growing population of around 560,000 and is an important commercial, industrial and transportation hub. The economy in the city revolves around telecommunications and biomedical technology industries as well as mining, construction, real estate and tourism. The Denver International Airport is the largest airport in North America and spread over 53 square miles. The booming job market, affordable living and a large student population contribute to the Denver-Boulder metropolitan area being ranked #1 on Fobes Magazine's list of the Best Cities For Singles.



## CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **18620 E Iliff Ave, Aurora, CO 80013** ("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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