

Walgreens



*ACTUAL SITE PHOTO



OFFERING
MEMORANDUM

WALGREENS

ABSOLUTE NNN LEASE

3441 KILDAIRE FARM ROAD CARY, NC

OFFERING MEMORANDUM
PRESENTED BY:

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INVESTMENT OVERVIEW



This offering is for the 100% fee simple interest in the land and building in Cary (Raleigh), NC. The property is leased to Walgreens under a long term NNN lease starting March 16, 2020 running through April 1, 2035. The tenant has ten, 5 year options to renew with rare 5% increases in rent every 5 years.

The asset is strategically located along a major retail corridor. The property is nearby several retailers including McDonald's, Publix Supermarket, Dollar Tree and many others.

INVESTMENT HIGHLIGHTS

ABSOLUTE NNN LEASE - NEW 15 YEAR LEASE

ZERO LANDLORD OBLIGATIONS

RARE 5% INCREASES EVERY 5 YEARS

S&P RATED BBB INVESTMENT GRADE CREDIT

100% FEE SIMPLE INTEREST

LOCATED ON A MAJOR COMMERCIAL THOROUGHFARE

CORPORATE GUARANTY - NASDAQ: WBA

OFFERING SPECIFICATIONS

PRICE \$5,888,888

CAP RATE 5.40%

NET OPERATING INCOME \$318,000

SQUARE FOOTAGE 14,820

LOT SIZE 1.5 AC

FINANCIAL SUMMARY

WALGREENS • ABSOLUTE NNN LEASE

3441 KILDAIRE FARM ROAD CARY, NC

\$5,888,888 • 5.40%

SUMMARY

TENANT NAME	WALGREENS
SQUARE FOOTAGE	14,820
LEASE START	3/16/2020
LEASE ENDS	4/1/2035
ANNUAL RENT	\$318,000
OPTIONS	Ten, 5-Year
INCREASES	5% Every 5 Years

OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
YEARS 1 TO 5	\$318,000.00	5.40%
YEARS 6 TO 10	\$333,900.00	5.67%
YEARS 11 TO 15	\$350,595.00	5.95%

TENANT OVERVIEW



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.

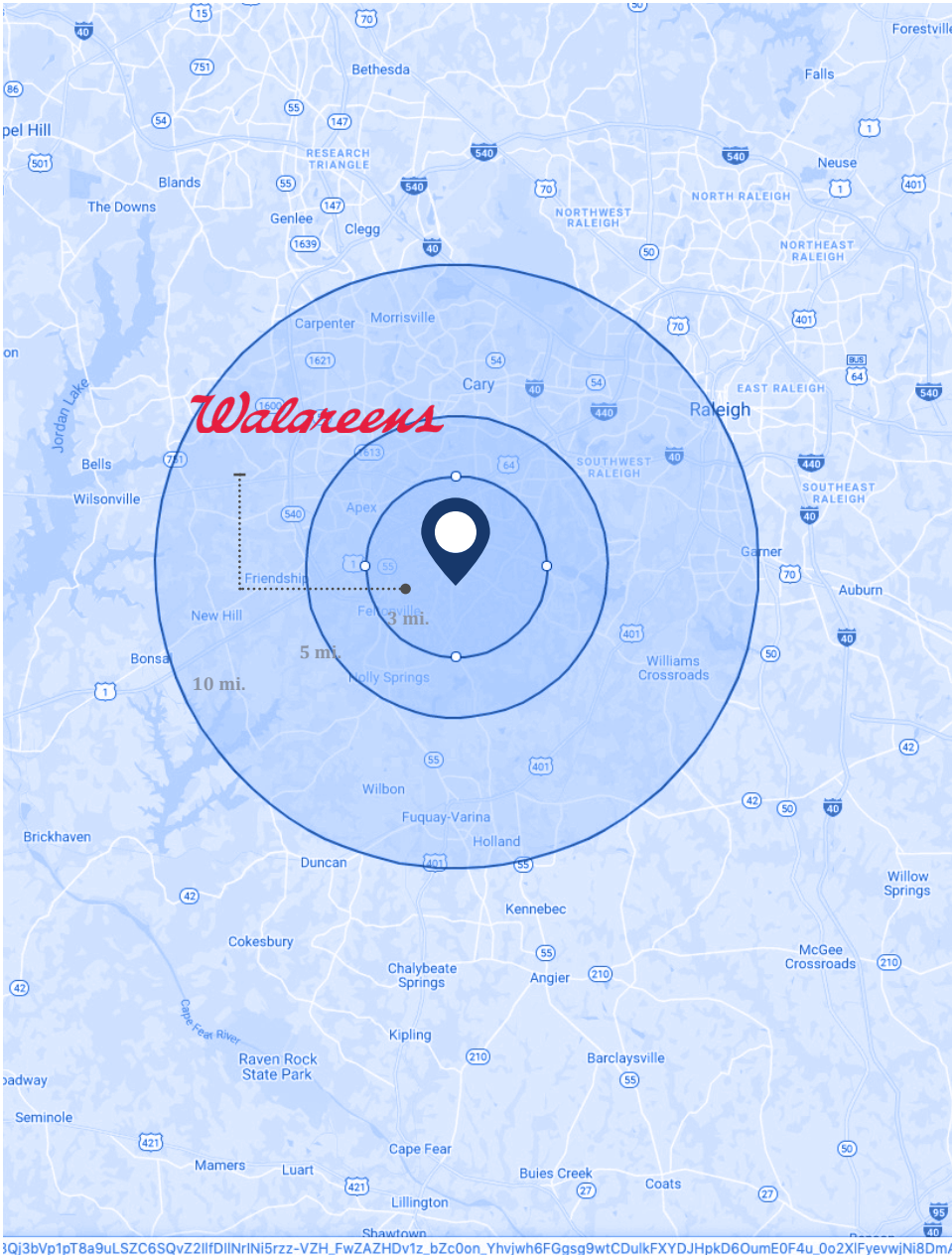
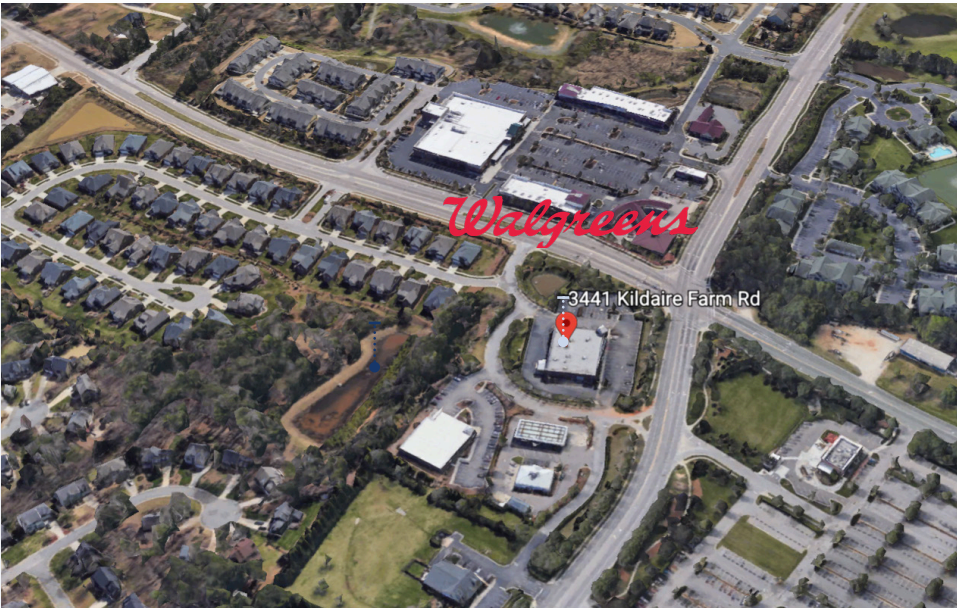
In 2014 the company agreed to purchase the remaining 55% of Switzerland-based Alliance Boots that it did not already own to form a global business. Under the terms of the purchase, the two companies merged to form a new holding company, Walgreens Boots Alliance Inc., on December 31, 2014. Walgreens became 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.

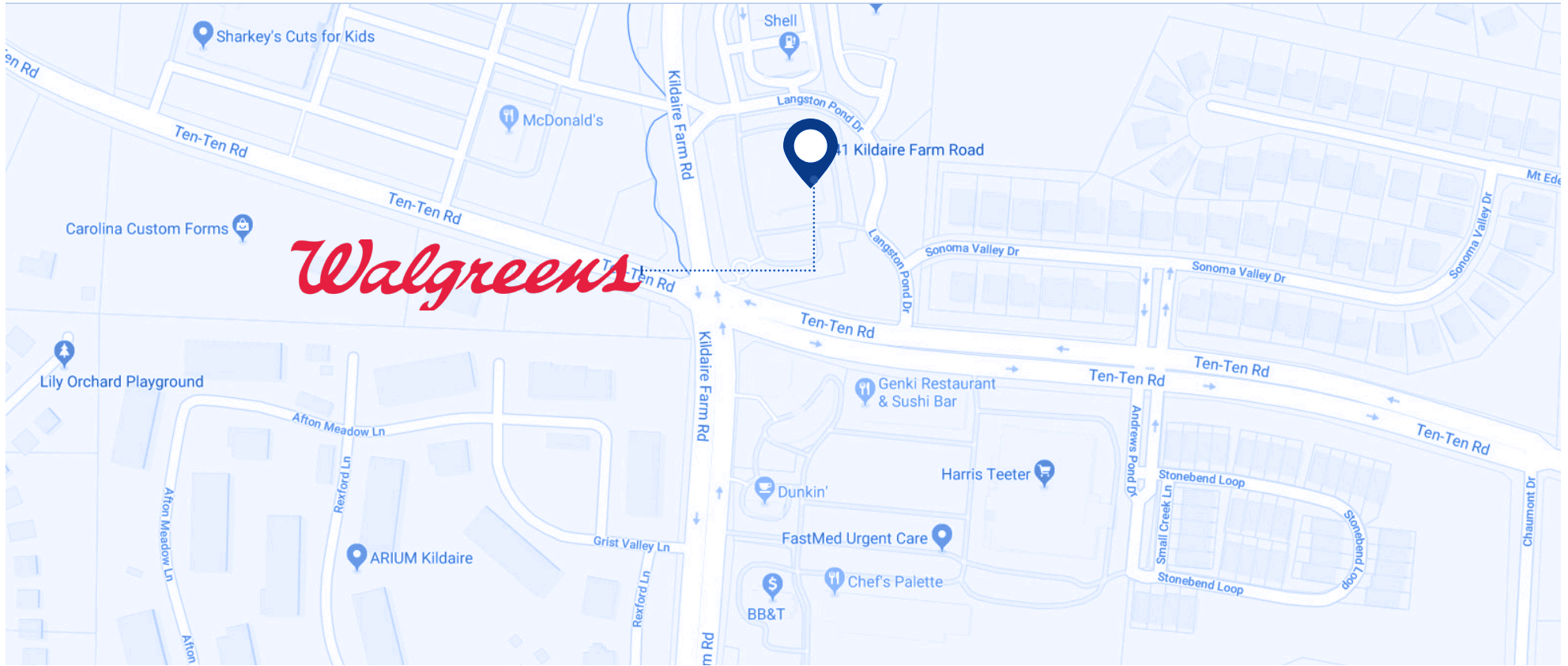
LOCATION AERIAL



REGIONAL OVERVIEW



DEMOGRAPHICS



	3 MILES	5 MILES	10 MILES
TOTAL POPULATION	39,045	143,147	480,831
TOTAL HOUSEHOLDS	14,055	53,963	181,747
AVERAGE HOUSEHOLD INCOME	\$140,664	\$117,115	\$105,229
AVERAGE AGE	38.50	37.50	35.90

AREA OVERVIEW

DEMOGRAPHICS	3 MILES	5 MILES	10 MILES
TOTAL HOUSEHOLDS	14,055	53,963	181,747
TOTAL POPULATION	39,045	143,147	480,831
PERSONS PER HOUSEHOLD	2.80	2.60	2.60
AVERAGE HOUSEHOLD INCOME	\$140,664	\$117,115	\$105,229
AVERAGE HOUSE VALUE	\$365,643	\$308,689	\$295,647
AVERAGE AGE	38.50	37.50	35.90
WHITE	31,667	115,030	350,961
BLACK	3,477	14,374	66,489
AM. INDIAN & ALASKAN	142	803	3,787
ASIAN	2,877	9,364	47,019
HAWAIIAN & PACIFIC ISLAND	90	215	435
OTHER	792	3,360	12,141

CARY, NORTH CAROLINA

Cary is the seventh-largest municipality in North Carolina. Cary is predominantly in Wake County, with a small area in Chatham County in the U.S. state of North Carolina and is the county's second-largest municipality, as well as the third-largest municipality in The Triangle of North Carolina after Raleigh and Durham.

The town's population was 135,234 as of the 2010 census (an increase of 43.1% since 2000), making it the largest town and seventh-largest municipality statewide .As of April 2018, the town's estimated population was 162,025, though Cary is still classified a town because that is how it was incorporated with the state. Cary is the second most populous incorporated town in the United States.

Raleigh, Durham, and Chapel Hill make up the three primary metropolitan areas of the Research Triangle metropolitan region. The regional nickname of "The Triangle" originated after the 1959 creation of the Research Triangle Park, primarily located in Durham County, four miles from downtown Durham. RTP is bordered on three sides by the city of Durham and is roughly midway between the cities of Raleigh and Chapel Hill, and the three major research universities of NC State University, Duke University, and University of North Carolina-Chapel Hill.

The Research Triangle region encompasses OMB's Combined Statistical Area (CSA) of Raleigh-Durham-Chapel Hill in the central Piedmont region of North Carolina. As of 2012, the population of the Raleigh-Durham-Chapel Hill CSA was 1,998,808. The Raleigh-Cary Metropolitan Statistical Area (MSA) as of Census 2010 was 1,130,490.

Walgreens

CARY, NORTH CAROLINA



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