

INVESTMENT OFFERING

Walgreens

Pleasantville, NJ
(Atlantic City MSA)



 **FARISLEE**
Investments

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Walgreens

505 Black Horse Pike, Pleasantville (Atlantic City), NJ 08232

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STATEMENT OF CONFIDENTIALITY & DISCLAIMER

Faris Lee Investments ("FLI") has been engaged as the exclusive financial advisor to the Seller in connection with Seller's solicitation of offers for the purchase of the property known as Walgreens, City of Pleasantville, County of Atlantic, State of New Jersey. Prospective purchasers are advised that as part of the solicitation process, Seller will be evaluating a number of factors including the current financial qualifications of the prospective purchaser. Seller expressly reserves the right in its sole and absolute discretion to evaluate the terms and conditions of any offer and to reject any offer without providing a reason therefore. Further, Seller reserves the right to terminate the solicitation process at any time prior to final execution of the Purchase Agreement.

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PROPERTY OVERVIEW

INVESTMENT SUMMARY:

Faris Lee Investments is pleased to offer for sale the fee simple interest (land & building) in a freestanding, single tenant, NNN leased, drive-thru Walgreens located in Pleasantville (Atlantic City), NJ. This location has been successfully operating as a pharmacy since 1999. Walgreens recently spent over half a million dollars in renovations and re-branding the building into their newest prototype store. They also extended their lease for another 5 years, at the same time taking a rental increase, which is a testament of thier overall commitment to this location.

The subject property is strategically located at the signalized, hard corner intersection of two highly trafficked streets, Black Horse Pike Road (24,600 VPD) and Route 9 / S New Road (19,300 VPD). The site is surrounded by several national credit tenants including: Walmart Supercenter, Sam's Club, Starbucks, Harbor Freight Tools, McDonald's, and KFC to name a few. The subject property benefits from being located between the Atlantic City Expressway and Garden State Parkway (102,000 Total VPD). There are more than 103,000 permanent residents with an average household income of over \$86,000 within a 5-mile radius of the site. Additionally, there are over 47,000 employees and 4,600 businesses within a 5-mile radius of the subject property.

\$5,080,000

ASKING PRICE

6.35%

CAP RATE

\$322,530

NET OPERATING INCOME

SPECIFICATIONS:

GLA: 11,200 SF

Land Area: 2.1 Acres; 91,476 SF

TENANT:

Walgreens

LOCATION:

505 Black Horse Pike
Pleasantville, NJ 08232



PROPERTY SPECIFICATIONS:

Address: 505 Black Horse Pike, Pleasantville, NJ 08232



Land Area

2.1 Acres (91,476 SF)



Rentable Area

11,200 SF



Ownership

Fee Simple (Land & Building)



Access

There are (2) access points, (1) along S New Road, and (1) along Black Horse Pike.



Parking

There are approximately 63 dedicated parking stalls on the owned parcel. The parking ratio is approximately 5.63 parking stalls per 1,000 SF of leasable area.



Traffic Counts (Regis 2019)

Black Horse Pike: 24,600 VPD
S New Road: 19,300 VPD



Year Built

1999



PARCEL MAP

PARCEL	ACRES	SQ. FT
19-00422-0000-00017	2.1	91,476



PROPERTY HIGHLIGHTS



Investment Grade Tenant | Corporate Lease w/ Walgreens (S&P Rated: BBB)

- Strong lease guarantee - Investment grade tenant with Walgreens (S&P Rated: BBB)
- Safe investment - Creates security and stability for the investor
- Walgreens is one of the largest pharmacy store chains in the United States. They specialize in filling prescriptions, health and wellness products, health information, and photo services. As of August 31, 2019, the company operated 9,277 stores in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.

Highly Successful Location - Recently Renovated into Latest Prototype Format Store - New Lease Extension

- The subject property was formerly a successful Rite Aid store that has been in operations for over 20 years; the site was recently acquired by Walgreens
- Proven location - Walgreens spent significant capital to renovate and reopen the store under the Walgreens banner
- Walgreens also extended the lease at the same; a testament to their commitment to this site

Ease of Management NNN Lease / Simple Ownership

- Minimal cost to maintain land or building
- CAM, Insurance, and taxes paid by Walgreens
- Landlord to maintain roof, although there is a brand new long-term transferrable roof warranty

Drive-Thru Building

- The feature provides ease and convenience for customers
- On average, stores with a drive-thru have higher sales than stores without a drive-thru

Located at Signalized Intersection: Route 9 & Black Horse Pike (43,900 VPD at Intersection)

- Route 9 (S New Road) is the main North to South road in New Jersey besides Garden State Parkway
- The site is also ideally situated between 2 busy highways
- Atlantic City Expressway and Garden State Parkway (102,000 Total VPD)

Surrounded by National Credit Tenants

- Walgreens benefits from several national credit tenants in the area that include: Walmart Supercenter, Sam's Club, Harbor Freight Tools, Petco, Starbucks, McDonald's, and Chick-Fil-A
- The dense amount of national retailers shows that this is a high growth location

Strong Demographics

- 103,000 permanent residents with an AHHI of \$86,000 within a 5-mile radius of the subject property
- Over 47,000 employees and 4,600+ businesses within a 5-mile radius

WALMART
SUPERCENTER



ASIAN SUPERMARKET



ATLANTIC CEMETERY



BLACK HORSE PIKE (24,600 VPD)

S NEW ROAD (ROUTE 9) (19,300 VPD)





AREA OVERVIEW

DISTANCE FROM PLEASANTVILLE



Atlantic City Int. Airport



Atlantic City



Philadelphia



New York



1.8%

Population growth since 2010



19.5%

Predicted job growth over the next 10 years



2.1%

Recent job growth



5%

Home appreciation in the last 10 years



103,002

Estimated population in 5-mile radius



\$86,356

Average household income in 5 mile radius



21 Minutes

Average commute time



CITY OVERVIEW

PLEASANTVILLE

Pleasantville is a city in Atlantic County, New Jersey, United States. Pleasantville was originally incorporated as a borough by an act of the New Jersey Legislature on January 10, 1889, from portions of Egg Harbor Township, based on the results of a referendum held on December 15, 1888. Pleasantville was incorporated as a city on April 14, 1914, replacing Pleasantville borough, based on the results of a referendum held that same day. The city was named by Dr. David Ingersoll for its surroundings. Portions of the city are part of an Urban Enterprise Zone (UEZ), one of 32 zones covering 37 municipalities statewide. Pleasantville was selected in 1994 as one of a group of 10 zones added to participate in the program and one of four of those chosen based on a competition. In addition to other benefits to encourage employment and investment within the UEZ, shoppers can take advantage of a reduced 3.3125% sales tax rate (half of the 6.58% rate charged statewide) at eligible merchants. Established in March 1995, the city's Urban Enterprise Zone status expires in March 2026. By 2019, there had been 169 businesses that had been certified to participate in the city's UEZ program.

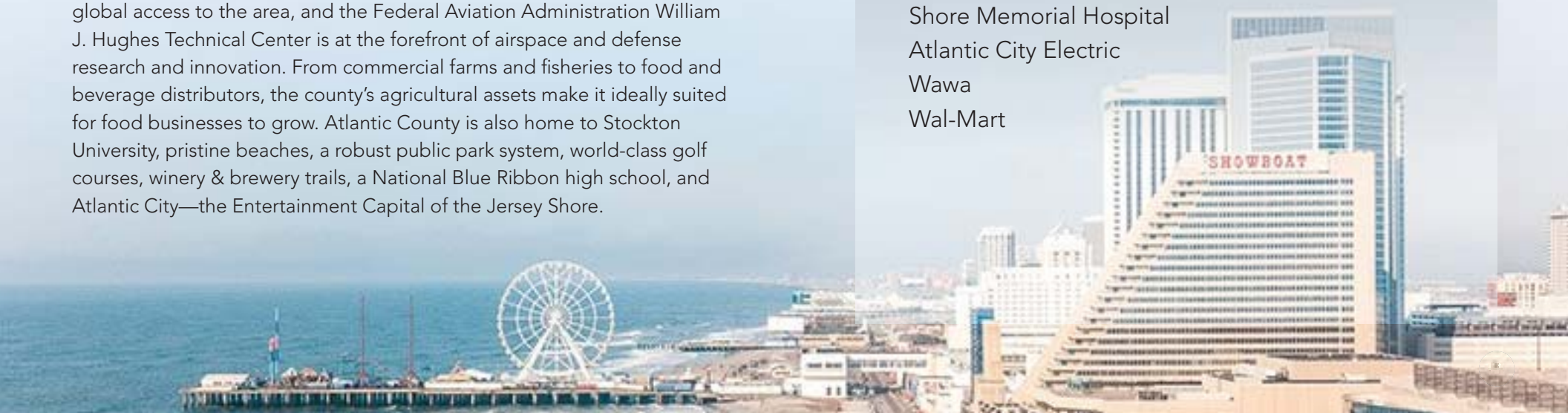
ECONOMIC HIGHLIGHTS

Atlantic County leads the tourism industry in New Jersey, employing nearly 50,000 workers and generating \$6.7 billion dollars in annual revenue in 2016. The region's aviation infrastructure is among the most advanced in the nation. The Atlantic City International Airport provides convenient global access to the area, and the Federal Aviation Administration William J. Hughes Technical Center is at the forefront of airspace and defense research and innovation. From commercial farms and fisheries to food and beverage distributors, the county's agricultural assets make it ideally suited for food businesses to grow. Atlantic County is also home to Stockton University, pristine beaches, a robust public park system, world-class golf courses, winery & brewery trails, a National Blue Ribbon high school, and Atlantic City—the Entertainment Capital of the Jersey Shore.



MAJOR EMPLOYERS

Borgata Casino
Bally's Casino
Atlantic Health Care System
Tropicana Casino
FAA Technical Center
Trump Taj Mahal
Caesar's Entertainment
Shore Memorial Hospital
Atlantic City Electric
Wawa
Wal-Mart



DEMOGRAPHICS



Population

Pleasantville, NJ (REGis 2019)	1 Mile	3 Mile	5 Mile
2019 Estimated Population	14,328	40,437	103,002
2024 Projected Population	14,123	39,418	101,184
2010 Census Population	13,743	40,567	105,683
2000 Census Population	12,668	37,188	97,553
Historical Annual Growth 2000 to 2019	0.7%	0.5%	0.3%
2019 Median Age	35.5	38.6	41.5
2019 Estimated Households	4,747	15,506	41,015
2024 Projected Households	4,747	15,334	40,962
2010 Census Households	4,213	14,480	39,250
2000 Census Households	4,026	13,413	37,125
Projected Annual Growth 2019 to 2024	-	-0.2%	-
Historical Annual Growth 2000 to 2019	0.9%	0.8%	0.6%
2019 Estimated Average Household Income	\$54,126	\$67,630	\$86,356
2019 Estimated White	30.7%	47.9%	59.5%
2019 Estimated Black or African American	38.7%	27.6%	17.2%
2019 Estimated Asian or Pacific Islander	4.5%	6.8%	10.1%
2019 Estimated American Indian or Native Alaskan	0.8%	0.6%	0.4%
2019 Estimated Other Races	25.3%	17.1%	12.8%
2019 Estimated Hispanic	38.0%	26.7%	20.7%
2019 Estimated Total Businesses	585	2,456	4,654
2019 Estimated Total Employees	6,425	25,967	47,016



Income



Business

Households



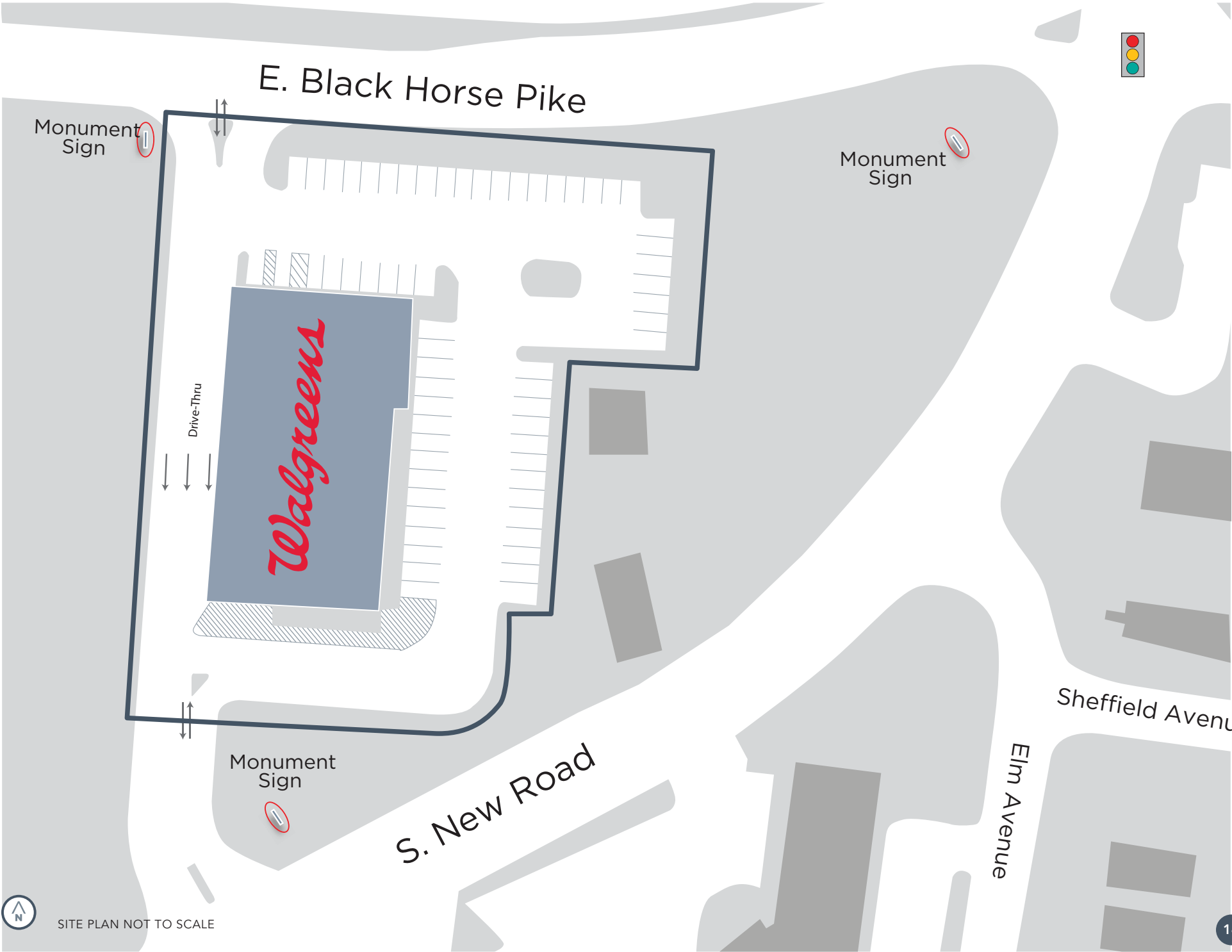
Ethnicity





FINANCIAL ANALYSIS

SITE PLAN



SITE PLAN NOT TO SCALE

RENT ROLL / TENANT SYNOPSIS

Tenant	Size (SF)	Date	Increase	Rental Rates		Annual Rent	Annual \$/SF	Recovery Type	Lease Start	Lease Expiration	Lease Options
				Monthly Rent	Monthly \$/SF						
Walgreens	11,200	Current		\$26,878	\$2.40	\$322,530	\$28.80	NNN	3/23/1999	4/30/2025	4 (5-Year) Opt 1: \$28,416/mo. Opt 2: \$28,870/mo. Opt 3: \$29,324/mo. Opt 4: \$29,324/mo.



Walgreens

www.Walgreens.com

Walgreens Boots Alliance, Inc. operates as a pharmacy-led health and wellbeing company. It operates through three segments: Retail Pharmacy USA, Retail Pharmacy International, and Pharmaceutical Wholesale. The Retail Pharmacy USA segment sells prescription drugs and an assortment of retail products, including health, wellness, beauty, personal care, consumable, and general merchandise products through its retail drugstores and convenient care clinics. It also provides specialty pharmacy services and mail services; and manages in-store clinics. As of August 31, 2019, this segment operated 9,277 retail stores under the Walgreens and Duane Reade brands in the United States; and 6 specialty pharmacies. Walgreens Boots Alliance, Inc. was founded in 1901 and is based in Deerfield, Illinois.

Company Type:	Public: (NASDAQ WBA)
2019 Locations:	9,277+/-
Fiscal 2019 Net Income:	\$3.98 Billion
Fiscal 2019 Revenue:	\$136.87 Billion
Fiscal 2019 Assets:	\$67.60 Billion
Fiscal 2019 Equity:	\$23.51 Billion

TRANSACTION SUMMARY

Financial Information

Price: \$5,080,000

Price/SF: \$454

Property Specifications

Rentable Area: 11,200 SF

Land Area: 2.10 Acres

Year Built: 1999

Address: 505 Black Horse Pike
Pleasantville, NJ 08232

APN: 1900422-0000-00017

Ownership: Fee Simple (Land & Building)

Tenant: Walgreens

Lease Type:

Tenant is responsible for taxes, insurance, and CAM. Landlord is responsible for roof (under warranty) and structure.

Operating Information

	<u>In-Place</u>	<u>Apr-25</u>
Gross Potential Rent	\$322,530	\$340,992
Plus Recapture	NNN	NNN
Effective Gross Income	\$322,530	\$340,992
Less Expenses	(NNN)	(NNN)
Net Operating Income	\$322,530	\$340,992
Cap Rate	6.35%	6.71%



Walgreens

Pleasantville, NJ



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