

Walgreens



*REPRESENTATIVE PHOTO



OFFERING
MEMORANDUM

WALGREENS

ABSOLUTE NNN LEASED OFFERING

100 CALLE 12 BO, 00738, PUERTO RICO

OFFERING MEMORANDUM
PRESENTED BY:

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INVESTMENT OVERVIEW



The subject offering is a fee simple interest in an absolute NNN leased Walgreens. There are over 20 years remaining on the initial lease, with the lease calling for zero landlord obligations. The tenant has fifty 1-year options to renew. The subject property is well situated in a major recreational boating hub in Puerto Rico.

INVESTMENT HIGHLIGHTS

LONG TERM ABSOLUTE NNN LEASE

ZERO LANDLORD RESPONSIBILITIES

S&P RATED BBB INVESTMENT GRADE CREDIT

CORPORATE GUARANTY - NASDAQ: WBA

100% FEE SIMPLE INTEREST

OFFERING SPECIFICATIONS

PRICE \$9,600,000

CAP RATE 6.40%

NET OPERATING INCOME \$615,000

SQUARE FOOTAGE 15,660

LOT SIZE 1.63 AC

FINANCIAL SUMMARY

WALGREENS • ABSOLUTE NNN LEASED OFFERING

100 CALLE 12 BO, 00738, PUERTO RICO

\$9,600,000 • 6.40%

SUMMARY

TENANT NAME	WALGREENS
SQUARE FOOTAGE	15,660
LEASE STARTS	9/30/2027
LEASE ENDS	9/30/2027
ANNUAL RENT	\$615,000
OPTIONS	Fifty, One-Year
INCREASES	Rent is Flat

OFFERING SUMMARY

	NET OPERATING INCOME	CAP RATE
CURRENT	\$615,000	6.40%

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.

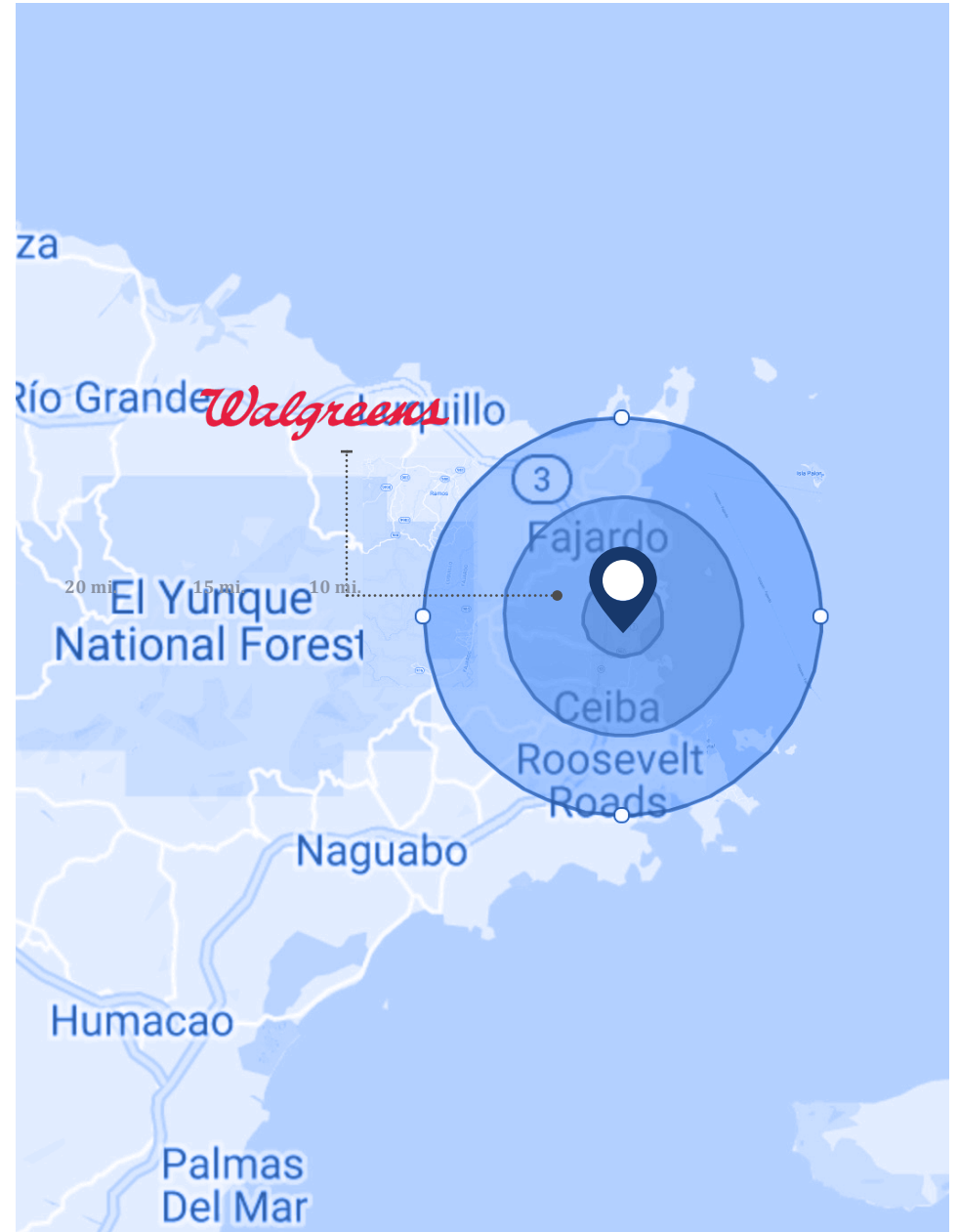
In 2014 the company agreed to purchase the remaining 55% of Switzerland-based Alliance Boots that it did not already own to form a global business. Under the terms of the purchase, the two companies merged to form a new holding company, Walgreens Boots Alliance Inc., on December 31, 2014. Walgreens became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



	1 MILE	3 MILES	5 MILES
TOTAL POPULATION	12,346	31,242	44,346
TOTAL HOUSEHOLDS	4,233	10,726	14,886
AVERAGE HOUSEHOLD INCOME	\$23,606	\$26,115	\$27,197
AVERAGE AGE	37.3	37.2	36.1

AREA OVERVIEW

DEMOGRAPHICS	1 MILES	3 MILES	5 MILES
TOTAL POPULATION	12,346	31,242	44,346
TOTAL HOUSEHOLDS	4,233	10,726	14,886
PERSONS PER HOUSEHOLD	2.9	2.9	3
AVERAGE HOUSEHOLD INCOME	\$23,606	\$26,115	\$27,197
AVERAGE HOUSE VALUE	\$116,859	\$115,742	\$115,737
AVERAGE AGE	37.3	37.2	36.1
POPULATION WHITE	7,238	18,245	26,821
POPULATION BLACK	1,217	3,124	4,343
POPULATION AM, INDIAN, & ALASKAN	15	94	99
POPULATION ASIAN	1	33	42
POPULATION HAWAIIAN & PACIFIC ISLANDER	0	0	0
POPULATION OTHER	3,532	8,785	11,515

PUERTO RICO

Fajardo is a small city and municipality in Puerto Rico located in the east region of the island, bordering the Atlantic Ocean, north of Ceiba and east of Luquillo. Fajardo is spread over 7 wards and Downtown Fajardo (commonly called by the locals “Fajardo Pueblo”), which serves as the administrative center of the city. It is both a principal city of the Fajardo Metropolitan Statistical Area and the San Juan-Caguas-Fajardo Combined Statistical Area.

Fajardo is the hub of the majority of recreational boating in Puerto Rico and a popular launching port to Culebra, Vieques, and the American and British Virgin Islands. It is also the home to the largest Marina in the Caribbean, called Puerto del Rey. The town contains various hotels and inns.

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PUERTO RICO



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