

# WALGREENS

1825 E WARNER ROAD, TEMPE, ARIZONA



OFFERING MEMORANDUM

Marcus & Millichap





Walgreens



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# Executive Summary

1825 E Warner Road, Tempe, AZ 85284

## FINANCIAL SUMMARY

<b>Price</b>	<b>\$4,300,000</b>
Cap Rate	6.0%
Building Size	13,905 SF
Net Cash Flow	6.0% \$258,028
Year Built	1998
Lot Size	1.87 Acres

## LEASE SUMMARY

Lease Type	Double-Net (NN) Lease
Tenant	Walgreen Arizona Drug Co.
Guarantor	Corporate
Roof & Structure	Landlord Responsible
Lease Commencement Date	February 1, 1998
Lease Expiration Date	January 31, 2028
Lease Term Remaining	+/-8 Years
Rental Increases	None
Renewal Options	7, 5 Year Options

## ANNUALIZED OPERATING DATA

Lease Years	Annual Rent	Cap Rate
Current - 1/31/2028	\$258,028	6.00%

<b>Base Rent</b>	<b>\$258,028</b>
<b>Net Operating Income</b>	<b>\$258,028</b>
<b>Total Return</b>	<b>6.0% \$258,028</b>





ASU ARIZONA STATE UNIVERSITY  
Research Park

GoDaddy US. Edward Jones  
AMKOR Technology FOODS MAKING SENSE OF INVESTING  
amazon iridium  
Viasat DIGITAL REALTY

GARCIA'S  
ROSATTI'S PIZZA  
Great Harvest Bread Co.

WELLS FARGO

verizon

Cane's CHICKEN FINGERS

BANK OF AMERICA

Walgreens

DUNKIN' DONUTS

HARBOR FREIGHT TOOLS EoS FITNESS  
SUBWAY BETTER GYM. BETTER PRICE.  
Tuesday Morning ZIPP'S SPORTS GRILL

StorQuest SELF STORAGE

DISCOUNT TIRE

Bashas'

FUTURE RETAIL DEVELOPMENT

24,500 CPD  
E WARNER RD

17,500 CPD  
S MCCLINTOCK DR



# Property Description



## INVESTMENT HIGHLIGHTS

- » **Corporate Guaranty from Walgreens**
- » +/-8 Years Remaining on Lease Term
- » **331,677 Residents within a 5-Mile Radius - Phoenix MSA**
- » Visible to 42,000+ Cars/Day at the Nearby Intersection of East Warner Road & South McClintock Drive
- » **Recent 10 Year Lease Extension, Showing Commitment to the Site**
- » **Surrounded by Major National Retailers** - Bashas', Harbor Freight Tools, EoS Fitness, Raising Cane's, Dunkin', and More
- » Less Than 1 Mile Off the Loop 101 Freeway, a Major Phoenix Area Connector
- » **Average Household Income Exceeds \$142,000 in Immediate Area**
- » Down the Road from Arizona State University's Research Park, Home to 48 Companies Employing Over 6,000 People
- » **Strong Daytime Population - 404,373 Employees in Surrounding Area**



## DEMOGRAPHICS

1-mile

3-miles

5-miles

### Population

2024 Projection	10,883	125,061	341,038
2019 Estimate	10,858	121,655	331,677
Growth 2019 – 2024	0.23%	2.80%	2.82%

### Households

2024 Projection	4,323	50,603	140,702
2019 Estimate	4,277	48,736	135,521
Growth 2019 – 2024	1.07%	3.83%	3.82%

### Income

2019 Est. Average Household Income	\$142,318	\$105,680	\$88,489
2019 Est. Median Household Income	\$106,196	\$81,477	\$67,128
2019 Est. Per Capita Income	\$56,077	\$42,388	\$36,217





# Tenant Overview



*Walgreens*

**Walgreens Boots Alliance**

Parent Company

**Deerfield, Illinois**

Headquarters

**9,277+**

Locations

**1901**

Founded

**walgreens.com**

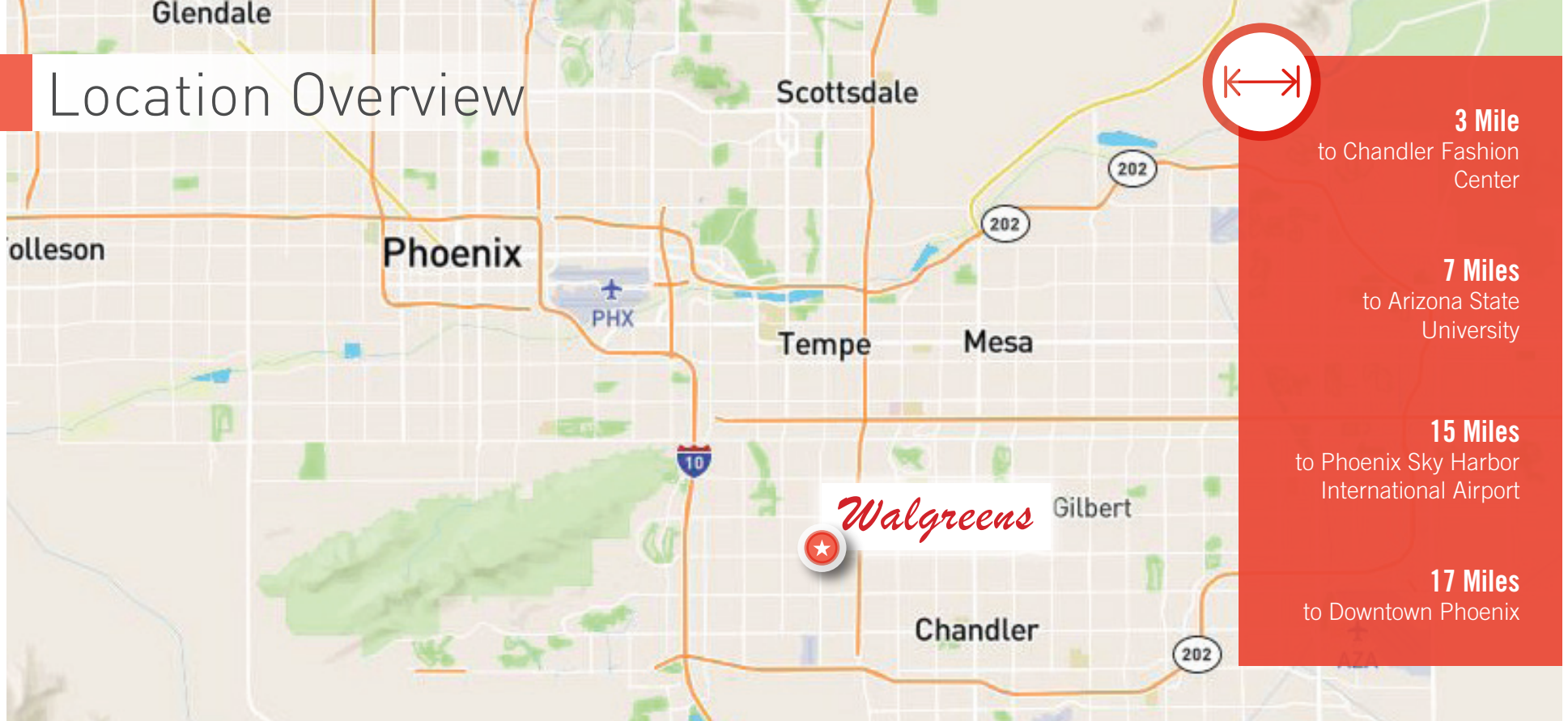
Website

Walgreens is an American pharmaceutical company which operates the largest drug retailing chain in the United States of America. It specializes in serving prescriptions, health & 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. It was founded in Chicago, Illinois, in 1901. The Walgreens headquarters office is in the Chicago suburb of Deerfield, Illinois.

Walgreens Boots Alliance is the first global pharmacy-led, health and wellbeing enterprise. Their goal is to help people across the world lead healthier and happier lives. Walgreens Boots Alliance was created through the combination of Walgreens and Alliance Boots in December 2014. This transaction brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted healthcare services through pharmaceutical wholesaling and community pharmacy care.



# Location Overview



Located just 10 minutes east of downtown Phoenix, Tempe exudes its own personality and the youthful spirit of a college town. Home to Arizona State University, the largest public university in the United States, Tempe has a vibrant downtown that's active day and night. Visitors will find locally-owned eateries and microbreweries, annual festivals, arts and cultural events. And plenty of opportunities to enjoy over 300 days of sunshine a year on a bike, hiking trail or stand-up paddleboard.

While enjoying dynamic growth, the city has maintained its unique personality and style through a careful and masterful blending of the new with the old. Respecting its heritage and energetically planning for the future, Tempe is a wonderful mix of history and modern urban amenities. Tempe has a distinct identity as an emerging destination city, replete with all the offerings of a city rich

in economics, technology, culture, tourism and educational resources. Tempe offers a blend of quality new developments, revitalization and redevelopment, prestigious institutions such as Arizona State University, and celebrated traditions. Tempe brings it all together – bright Arizona sun, rewarding places to work, diverse cultures, a myriad of recreational opportunities, the best in entertainment and an unparalleled Southwestern lifestyle.

Tempe maintains one of the most thriving economic environments in the country, home to top research firms, Fortune 500 companies, and start-ups. The city's largest employers include Arizona State University, State Farm, Salt River Project, Honeywell, Medtronic, and Insight Direct. Tempe has the most educated and technically-skilled workforce in Arizona. It is a young and diverse community, with a median age of 28.1.

# [ exclusively listed by ]

**Jonathan Eckerd**

Associate Advisor

602 687 6686

jonathan.eckerd@marcusmillichap.com

**Mark J. Ruble**

Executive Managing Director

602 687 6766

mruble@marcusmillichap.com

**Chris N. Lind**

Senior Vice President

602 687 6780

chris.lind@marcusmillichap.com

**Jamie A. Medress**

Executive Managing Director

602 687 6778

jmedress@marcusmillichap.com

Offices Nationwide

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