

*Walgreens*



\*ACTUAL SITE PHOTO



# WALGREENS

## ABSOLUTE NNN LEASED OFFERING

7155 24TH STREET SACRAMENTO, CA

OFFERING  
MEMORANDUM

# PRESENTED BY:

## JEFF GATES

DIRECTOR

PHONE 415.231.5231

EMAIL [jgates@thekasegroup.com](mailto:jgates@thekasegroup.com)

DRE #01768554

## ROBERT PALU

INVESTMENT ADVISOR

PHONE 650.766.6086

EMAIL [rpalu@thekasegroup.com](mailto:rpalu@thekasegroup.com)

DRE #01878663



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# INVESTMENT OVERVIEW



The subject property is a 14,490 SF building, leased to Walgreens (WBA) on an absolute NNN lease. The lease calls for zero landlord obligations. The asset is well located in Sacramento, California.

The site is well positioned on a major commercial thoroughfare and receives over 52,400 VPD along 24th Street and Florin Road. The site is located between both Interstate 5 and State Highway 99, the most highly trafficked thoroughfares in the county. The pharmacy is equipped with a double-lane drive-thru offering ease for customers. The property also benefits from its close proximity to downtown Sacramento. The site is located directly across from Florin Plaza and Florin Square. Neighboring tenants include Walmart Neighborhood Market, The Home Depot, Smart & Final, Dollar Tree, and more.

## INVESTMENT HIGHLIGHTS

**ABSOLUTE NNN LEASE**

**ZERO LANDLORD OBLIGATIONS**

**100% FEE SIMPLE INTEREST**

**S&P RATED BBB INVESTMENT GRADE CREDIT**

**CORPORATE GUARANTY - NASDAQ: WBA**

**HEAVILY TRAFFICKED LOCATION**

**LOCATED ON A HARD CORNER AT A SIGNALIZED INTERSECTION**

## OFFERING SPECIFICATIONS

**PRICE**

**\$6,200,000**

**CAP RATE**

**6.29%**

**NET OPERATING INCOME**

**\$390,000**

**SQUARE FOOTAGE**

**14,490**

**LOT SIZE**

**1.17 AC**

**YEAR BUILT**

**2006**

# FINANCIAL SUMMARY

## WALGREENS • ABSOLUTE NNN LEASED OFFERING

7155 24TH STREET SACRAMENTO, CA

**\$6,200,000 • 6.29%**

### SUMMARY

|                |                  |
|----------------|------------------|
| TENANT NAME    | Walgreens        |
| SQUARE FOOTAGE | 14,490           |
| TERM ENDS      | 12/31/2025       |
| ANNUAL RENT    | \$390,000        |
| OPTIONS        | Eight, Five-Year |
| INCREASES      | Flat             |

### OFFERING SUMMARY

|         | NET OPERATING INCOME | CAP RATE |
|---------|----------------------|----------|
| CURRENT | \$390,000            | 6.29%    |

# 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.

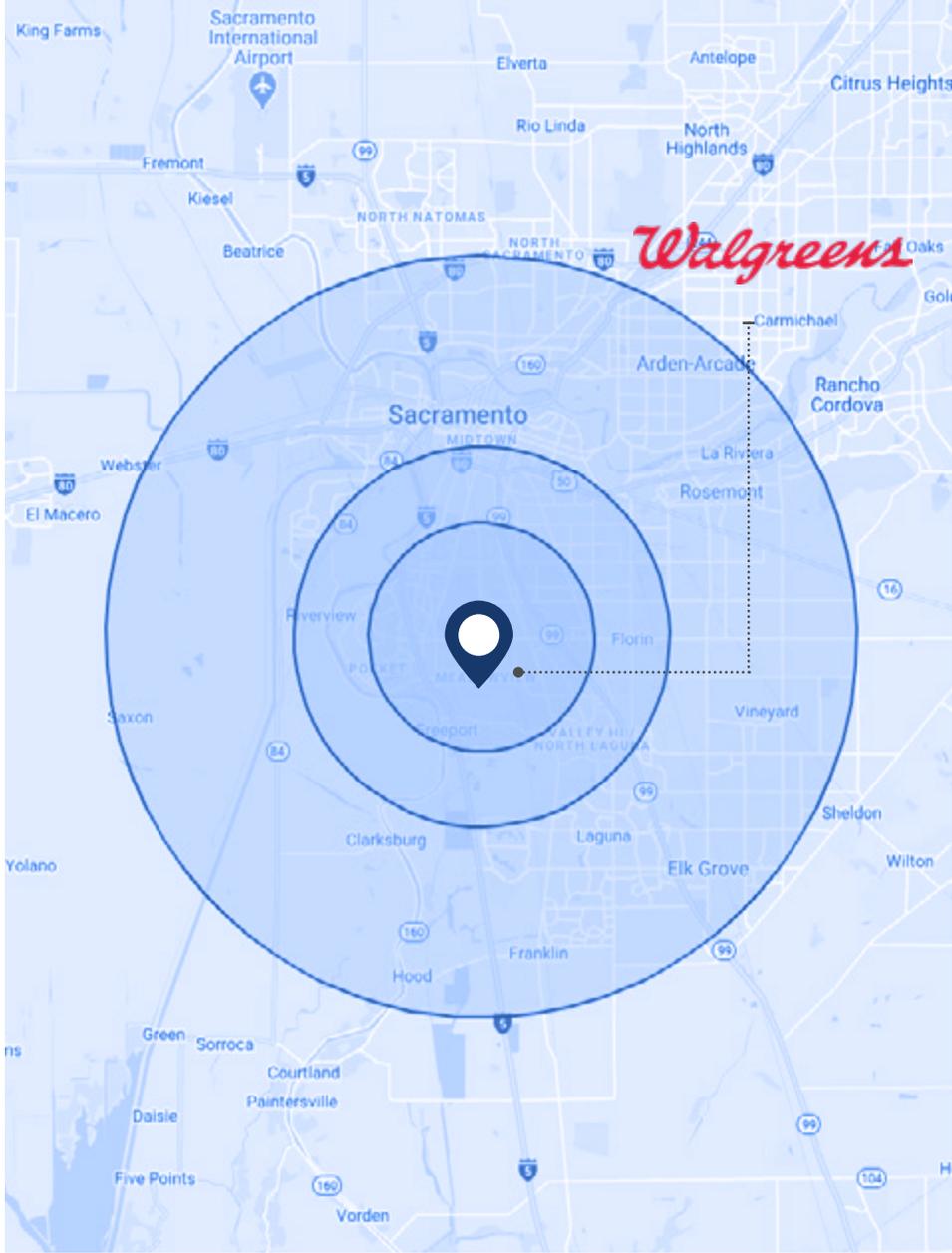
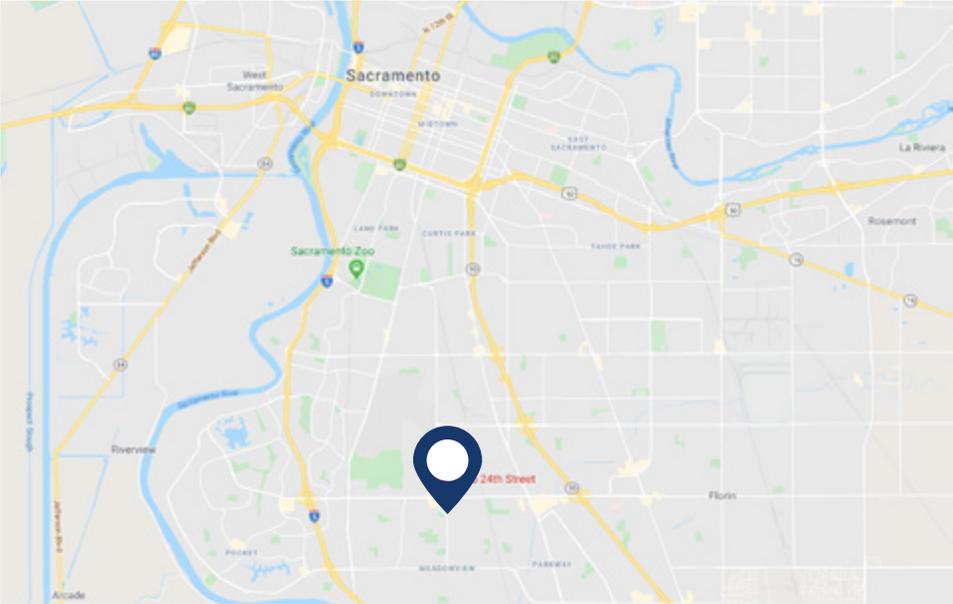
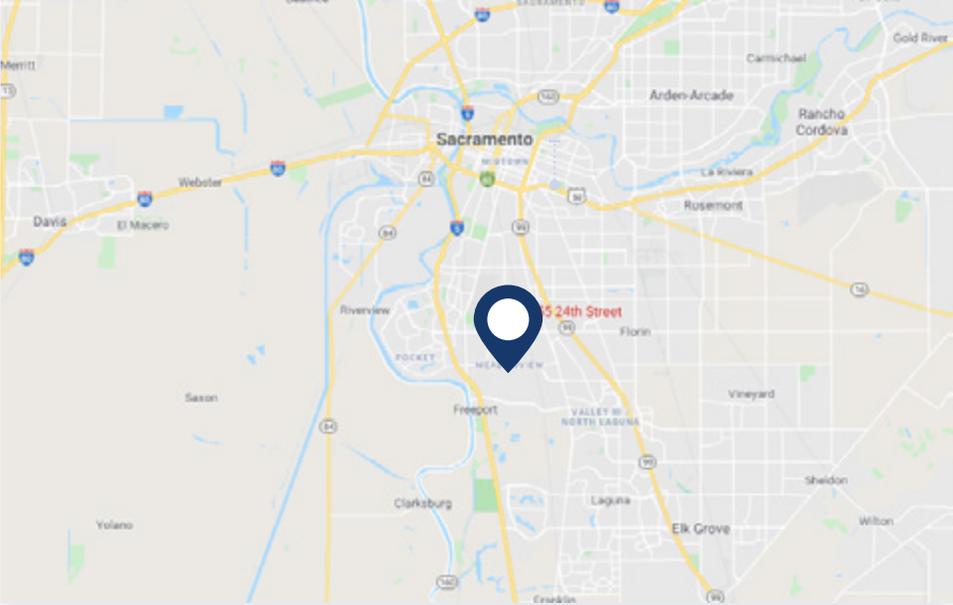
In 2014 the company agreed to purchase the remaining 55% of Switzerland-based Alliance Boots that it did not already own to form a global business. Under the terms of the purchase, the two companies merged to form a new holding company, Walgreens Boots Alliance Inc., on December 31, 2014. Walgreens became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

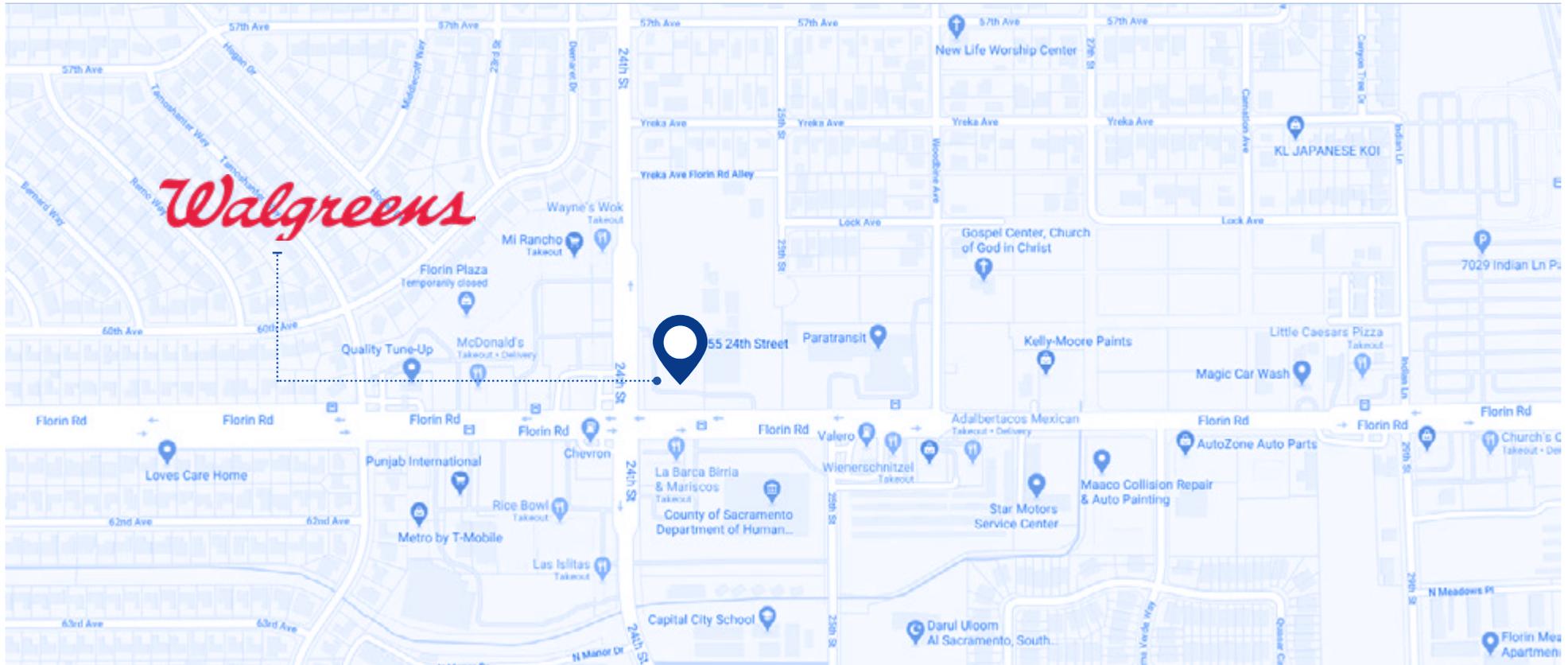
# LOCATION AERIAL



# REGIONAL OVERVIEW



# DEMOGRAPHICS



|                                 | 3 MILES  | 5 MILES  | 10 MILES |
|---------------------------------|----------|----------|----------|
| <b>TOTAL POPULATION</b>         | 167,298  | 356,376  | 903,268  |
| <b>TOTAL HOUSEHOLDS</b>         | 55,892   | 124,158  | 325,83   |
| <b>AVERAGE HOUSEHOLD INCOME</b> | \$69,770 | \$79,612 | \$87,235 |
| <b>AVERAGE AGE</b>              | 36.60    | 37.00    | 37.00    |

# AREA OVERVIEW

| DEMOGRAPHICS                         | 3 MILES   | 5 MILES   | 10 MILES  |
|--------------------------------------|-----------|-----------|-----------|
| <b>TOTAL POPULATION</b>              | 167,298   | 356,376   | 903,268   |
| <b>TOTAL HOUSEHOLDS</b>              | 55,892    | 124,158   | 325,83    |
| <b>PERSONS PER HOUSEHOLD</b>         | 3.00      | 2.80      | 2.70      |
| <b>AVERAGE HOUSEHOLD INCOME</b>      | \$69,770  | \$79,612  | \$87,235  |
| <b>AVERAGE HOUSE VALUE</b>           | \$337,984 | \$358,046 | \$372,305 |
| <b>AVERAGE AGE</b>                   | 36.60     | 37.00     | 37.00     |
| <b>WHITE</b>                         | 78,173    | 176,099   | 501,825   |
| <b>BLACK</b>                         | 29,855    | 56,291    | 119,537   |
| <b>AM. INDIAN &amp; ALASKAN</b>      | 3,400     | 6,891     | 15,729    |
| <b>ASIAN</b>                         | 40,718    | 86,126    | 190,756   |
| <b>HAWAIIAN &amp; PACIFIC ISLAND</b> | 4,381     | 7,441     | 14,436    |
| <b>OTHER</b>                         | 10,772    | 23,529    | 60,984    |

## SACRAMENTO, CA

Sacramento, capital of the U.S. state of California, lies at the confluence of the Sacramento River and American River. The district of Old Sacramento harkens back to the city's Gold Rush era, with wooden sidewalks and wagon rides. One of several museums in Old Sacramento, the California State Railroad Museum depicts the construction of the Transcontinental Railroad, one of the country's earliest technological feats.

# Walgreens

SACRAMENTO, CA



**The Kase Group**

## OFFERING MEMORANDUM

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DIRECTOR

PHONE 415.231.5231  
EMAIL [jgates@thekasegroup.com](mailto:jgates@thekasegroup.com)  
DRE #01768554

**ROBERT PALU**

INVESTMENT SALES

PHONE 650.766.6086  
EMAIL [rpalu@thekasegroup.com](mailto:rpalu@thekasegroup.com)  
DRE #01878663