
OFFERING
MEMORANDUM



BOISE MSA

WALGREENS
1570 East Fairview Avenue

MERIDIAN, ID 83642

Marcus & Millichap

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OFFERING SUMMARY

WALGREENS

 <i>Total Price</i> \$5,500,000	
CAP Rate	7.25%
Tenant	Walgreen Co.
Gurantor	Walgreen Co. (Moody's Rating: 'Baa2')
Address	1570 E. Fairview Avenue, Meridian, ID 83642
Building Size	15,120 SF
Year Built	2000
Lease Expiration	12/31/2060
Termination Right	Every Five Years Beginning 12/31/2025 With Six Months Notice
Lease Structure	Double Net
Annual Base Rent PSF	\$399,000 \$26.40
Increases	None
ROFR	Yes, 15 Days
Landlord Responsibilities	Repairs to the exterior and structural portions of the building, roof, and all utility lines, including, but not limited to, sewers, sewer connections, pipes, ducts, wires, and conduits leading to and from the leased premises and/or the building.

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WALGREENS

1570 East Fairview Avenue, Meridian, ID 83642

Marcus & Millichap is pleased to offer for sale the 100 percent fee simple interest in 1570 East Fairview Avenue (The Property), a 15,120 square foot building that is currently leased by Walgreen Co. (Moody's Rating: 'Baa2') with 5+ years of term. The Property offers multiple points of ingress and egress off the lighted intersection of East Fairview Avenue and North Locust Grove. The property also includes drive through pharmacy capabilities and is surrounded by a diverse group of national retailers. This offering presents the opportunity to acquire a corporately guaranteed Walgreens property with stable investment grade income and minimal landlord responsibilities within a dynamic Boise/ Meridian market.

INVESTMENT HIGHLIGHTS

Investment Grade Tenancy (Moody's Rating: 'Baa2')

Budding Retail Location of Meridian/Boise

Busy Thoroughfare, Seeing 29,000 VPD Between the First and Second Most Populous Cities in Idaho

Influx of Capital to Surrounding Area Due to an Over 22 Percent Population Increase in the Boise MSA This Decade





MERIDIAN, ID - BOISE MSA // *Walgreens*

Boise is the capital and most populous city of the U.S. state of Idaho, and is the county seat of Ada County. Located on the Boise River in southwestern Idaho, it is 41 miles east of the Oregon border, and 110 miles north of the Nevada border. The population is nearly 230,000 according to United States Census Bureau, and the overall Boise metro is up over 22 percent since 2010. U.S. citizens have been flocking to this area of Idaho due to the beautiful mountainous landscape, healthy assortment of employers and industries, the tightly knit community and lower cost of living than many larger and comparable sized cities. Boise ranked #1 on 'Livability's' reputable top 100 places to live in the U.S. last year as well as #1 for Small Business Friendliness (WalletHub), and #3 Best-Run City in America (Business Wire).

The local economy is a diverse blend of agriculture, healthcare, manufacturing, and technology among many other international brands and startups. Micron, St. Luke's Medical Center, Boise State University, HP and Simplot are among the city's top employers. Boise has a Hi-Tech/ Educated City reputation as 75% of Boise's workforce has some college education, 20% of Boise's workforce hold a STEM degree and the city averages \$450 per worker for R&D investment.

With an active arts community and lively downtown filled with shops, restaurants and entertainment, Boise is a vibrant and energetic city. Boise is recognized as a regional hub for jazz, theatre, and music, hosting numerous music festivals and theatre groups every year.

LOCATION HIGHLIGHTS

- Affluent Surrounding Area - Median Household Income in Meridian is 20% Higher than Remainder of Idaho.
- Boise Named #2 in Forbes' Best Cities to Raise a Family.
- Seattle Based Venture Capital Firm, "StageDotO", Relocated Operations to Boise in 2020 & Launched a \$50 Million Fund Focused on Local Boise Businesses.
- Business Insider Dubbed Boise as a Huge Silicon Valley Relocation Destination as San Francisco Rents Continue to Skyrocket.

AERIAL & SURROUNDING RETAIL // *Walgreens*

Demographics | 5-Mile Radius





TENANT OVERVIEW // *Walgreens*

Founded in 1901, Walgreens Boots Alliance (“Walgreens”) is the global leader in pharmacy-led health and wellbeing retail. Walgreens operates more than 13,800 stores in the 50 states, the District of Columbia, Puerto Rico, the US Virgin Islands, and a large International presence. With a typical store carrying over 18,000 items, Walgreens’ stores offer a wide range of consumer goods in addition to its pharmacy, health and wellness services. Bolstering Walgreens’ impressive six million daily customers, an average of 68 million people visit Walgreens’ websites (walgreens.com and drugstore.com) monthly. The company has more than 88,000 healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners, and other health-related professionals. During FY 2019, Walgreens filled over 1.1 billion prescriptions (including immunizations) on a 30-day adjusted basis.

Walgreens is planning to open hundreds of primary-care clinics in the coming years, per The Washington Post, as the drugstore giant continues to expand into medical care. The pharmacy chain said recently that it has reached a deal with VillageMD to staff and operate 500-700 clinics in 30 U.S. markets, within that period it will claim 30 percent ownership stake in VillageMD. The clinics will offer a host of services, from annual checkups to preventive care to the treatment of chronic diseases. Nurse practitioners, physicians’ assistants and social workers will work out of some locations. At-home visits and telehealth options will also be made available. This investment continues to demonstrate Walgreens’ mindset as a forward-thinking retailer.

Company:	Walgreens Boots Alliance
Year Founded:	1901
Headquarters:	Deerfield, IL
Ownership Type:	Public (NASDAQ: WBA)
Sector:	Retail Pharmacies
Locations:	13,800
Number of Employees:	440,000
Credit Rating (Moody’s):	Baa2 / Stable
Annual Revenue (FY 2019):	\$136.9 Billion
Gross Profit (FY 2019):	\$30.1 Billion
Total Assets:	\$67.59 Billion



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