



CLICK TO VIEW
PROPERTY VIDEO

Walgreens

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM

Subject Property
Walgreens

1309 Highway 35 North – Rockport, TX 78382

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some

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The Walgreens logo is written in a red, cursive script font.

1309 Highway 35 North – Rockport, TX 78382

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Walgreens





Investment Highlights

PRICE: \$5,487,179 | CAP: 5.85% | RENT: \$321,000

Walgreens

About the Investment

- ✓ Long-Term, 25-Year Absolute Triple Net (NNN) Lease
- ✓ Ten (10), Five (5)-Year Tenant Renewal Options
- ✓ Corporate Tenant | Corporate Guarantee

About the Location

- ✓ Dense Retail Corridor | Walmart, H-E-B, Ace Hardware, McDonald's, Burger King, Holiday Inn & Express and More
- ✓ Strong Academic Presence | Within One Mile from Rockport Fulton Middle and High Schools | Over 1,800 Students Enrolled
- ✓ Strong Traffic Counts | Over 17,000 Vehicles Per Day on Highway 35 North
- ✓ Ranked in the "Top 10 Coastal Towns in America" by USA Today
- ✓ Beach Oriented Location With Strong Residual Value
- ✓ Positive Real Estate Fundamentals | Within Thirty Miles of Corpus Christi, TX

About the Tenant / Brand

- ✓ Walgreens is One of the Nation's Largest Leading Drugstore Chains
- ✓ Walgreens Operates 8,100 Drugstores with a Presence in all 50 States, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.
- ✓ Walgreens Also Manages More Than 400 Healthcare Clinics and Provider Practice Locations Around the Country.
- ✓ Publicly Traded on the NYSE Under the Ticker Symbol 'WBA'
- ✓ BBB Credit Guaranty



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Financial Analysis

PRICE: \$5,487,179 | CAP: 5.85% | RENT: \$321,000

Walgreens

PROPERTY DESCRIPTION

Property	Walgreens
Property Address	1309 Highway 35 North
City, State, ZIP	Rockport, TX 78382
Year Built / Renovated	2005
Building Size	14,820
Lot Size	+/- 1.92 Acres
Type of Ownership	Fee Simple

THE OFFERING

Purchase Price	\$5,487,179
CAP Rate	5.85%
Annual Rent	\$321,000

LEASE SUMMARY

Property Type	Net-Leased Drug Store
Tenant/Guarantor	Corporate
Original Lease Term	25 Years
Lease Commencement	March 1, 2005
Lease Expiration	July 31, 2030
Lease Term Remaining	9.6 Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Ten (10), Five (5)-Year Renewal Options

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year(s) 1 - 25	\$321,000	\$26,750	-

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Walgreens located at 1309 Highway 35 North in Rockport, Texas. The site constructed in 2005, consists of roughly 14,820 rentable square feet of building space on estimated 1.92 acre parcel of land.

Walgreens is subject to a 25-year triple-net (NNN) lease, which commenced on March 1, 2005. The annual rent is \$321,000. There are ten (10), five (5)-year tenant renewal options, extending the total possible lease term to 75 years.



Representative Photo



Tenant Overview

CREDIT RATING: BBB

General Information

Address	1309 Highway 35 North, Rockport, TX 78382
Phone	(908) 372-0466
Website	www.walgreens.com

Company Financial Highlights

Store Count (as of 8/31/2019)	18,750
TTM Sales	\$138,700,000,000
Stock Ticker	WBA
Average Store Size	13,900 Square Feet

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The company was created through the combination of Walgreens and Alliance Boots in December 2014, bringing together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted health care services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25* countries and employ more than 385,000* people. The Company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has more than 18,750** stores in 11* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390* distribution centers delivering to more than 240,000** pharmacies, doctors, health centers and hospitals each year in more than 25* countries. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products.

Walgreens



Walgreens Boots Alliance



The company's portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare, as well as increasingly global health and beauty product brands, such as No7, Botanics, Liz Earle and Soap & Glory.

Walgreens Boots Alliance is included in Fortune magazine's 2018 list of the World's Most Admired Companies. This is the 25th consecutive year that Walgreens Boots Alliance or its predecessor company, Walgreen Co., has been named to the list.

More company information is available at www.walgreensbootsalliance.com

* As of 31 August 2019, using publicly available information for AmerisourceBergen.

** As of 28 June 2019.

**For 12 months ending 31 August 2019, using publicly available information for AmerisourceBergen.



Surrounding Area

Property Address: 1309 Highway 35 North – Rockport, TX 78382

Walgreens



Rockport
Fulton
Middle/High
School

Over 1,800
Students Enrolled

HIGHWAY 35 N



Location Overview

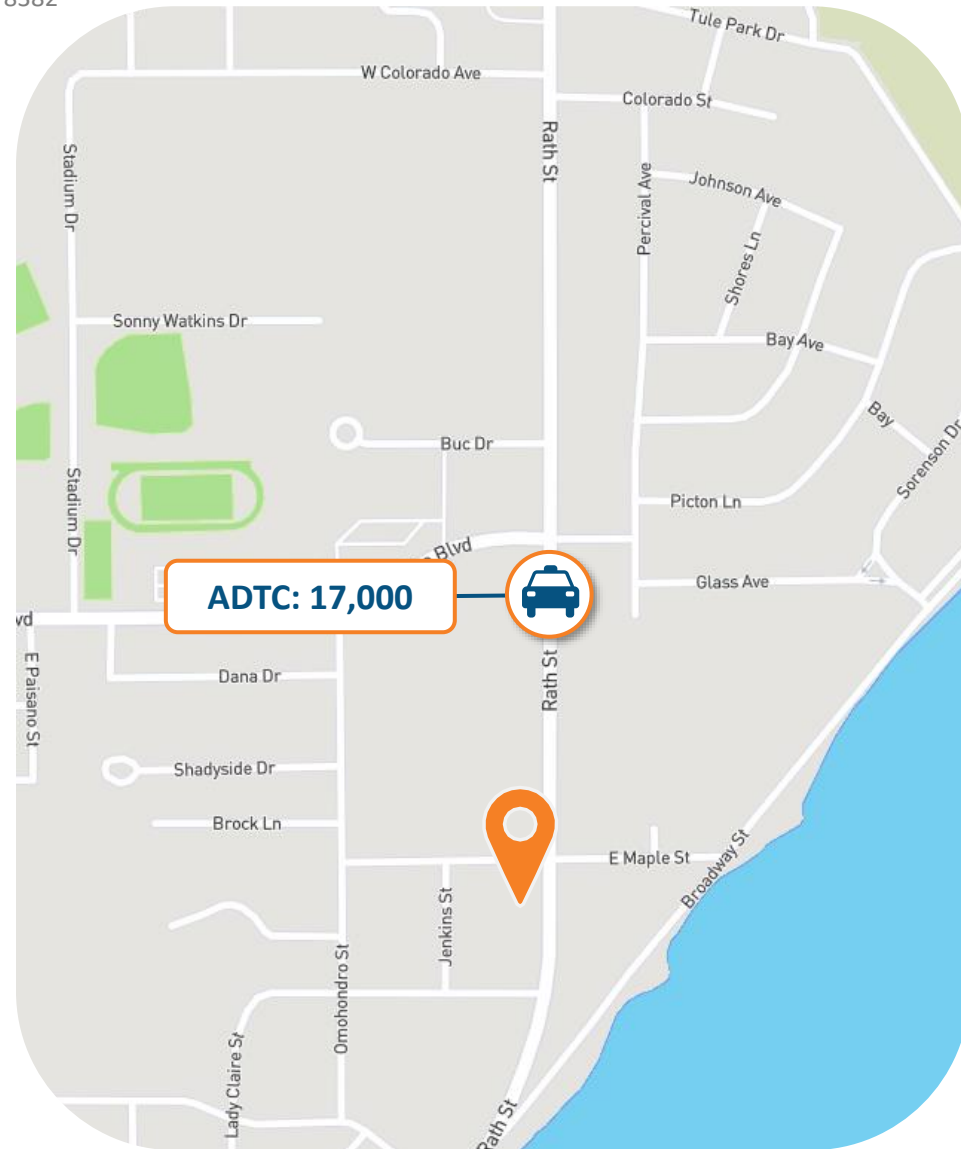
Property Address: 1309 Highway 35 North – Rockport, TX 78382

Walgreens

The subject investment property is situated on Highway 35 North, which boasts average daily traffic counts exceeding 17,000 vehicles. There are more than 29,000 individuals residing within a five-mile radius of the property and more than 25,000 individuals within a ten-mile radius.

The Walgreens property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, and hotels all within close proximity of this property. Major national tenants include: Walmart, O'Reilly Auto Parts, H-E-B, Ace Hardware, McDonald's, Whataburger, Dairy Queen, as well as many others. Accommodations in the immediate area include: Holiday Inn Express & Suites, La Quinta Inn & Suites, Americas Best Value Inn and Sea View. This Walgreens also benefits from being situated within a one-mile radius of several academic institutions. The most notable are Rockport Fulton Middle and High Schools, which have a combined total enrollment exceeding 1,800 students.

Rockport is a city located on the southern coast of Texas and is the county seat of Aransas County. While the county covers more than 500 square miles, much of it is under water. Rockport is a popular tourist destination for its access to various forms of marine recreation and attractions such as boating, fishing (bay, offshore, wade, beach, and pier), duck hunting, waterskiing, swimming, birdwatching, and seafood. The city's largest public beach, Rockport Beach Park, offers an array of community facilities including a playground and two beach pavilions. The city hosts several fairs and expositions each year including the Oyster Fest, Seafair, and a Wine Festival. The Rockport Art Festival, held annually since 1970, is a major event with art exhibitions, auctions, and vendors congregating in the city around the Fourth of July holiday. Rockport is situated 30 miles from Corpus Christi, 160 miles from San Antonio and 180 miles from Houston. Corpus Christi is the 8th largest city in Texas with an estimated population of 316,381. Tourism generates an annual economic impact of \$1 billion for the Corpus Christi region.





Property Photo

Walgreens





Surrounding Area Photos

Walgreens

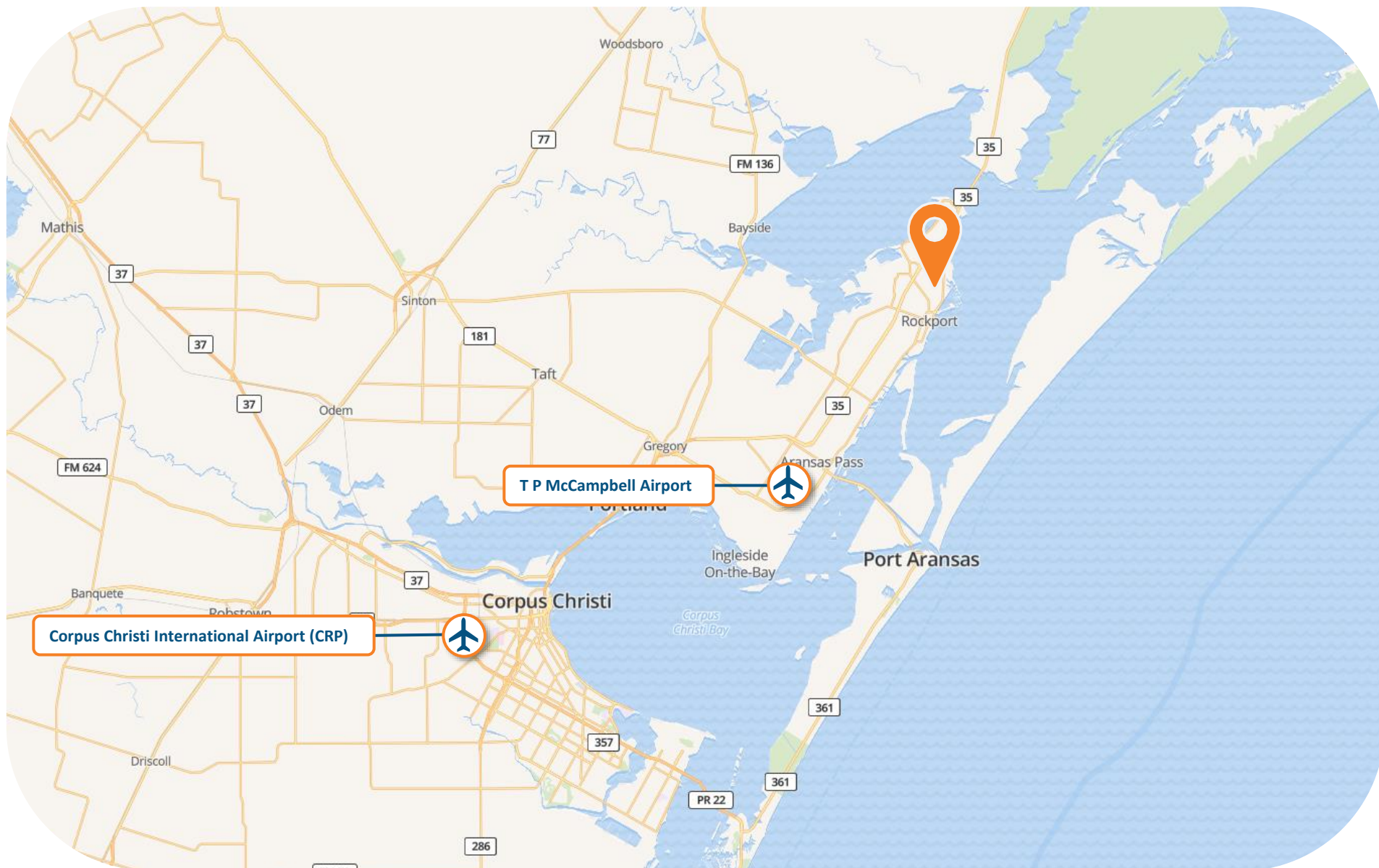




Local Map

Property Address: 1309 Highway 35 North – Rockport, TX 78382

Walgreens

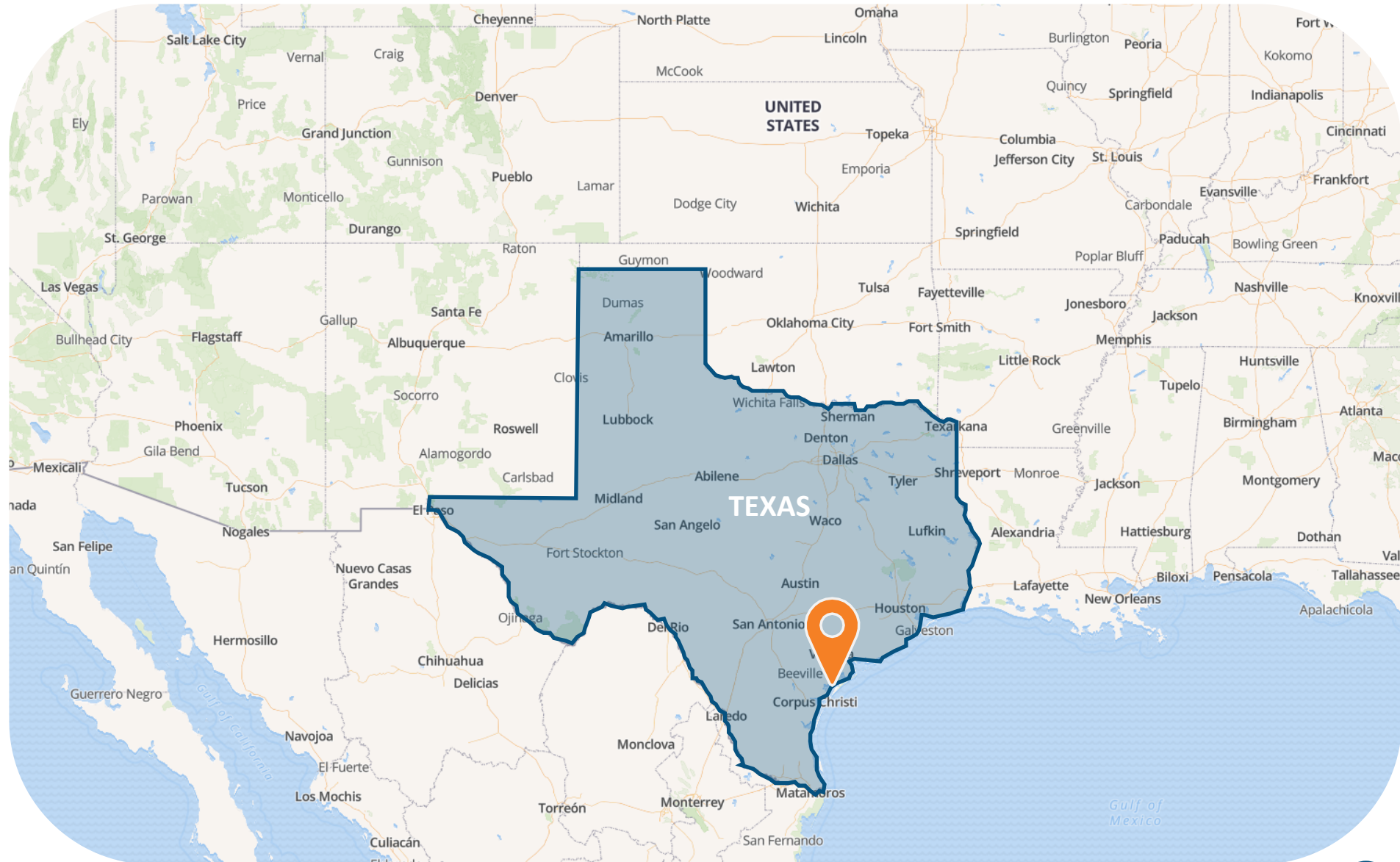




Regional Map

Property Address: 1309 Highway 35 North – Rockport, TX 78382

Walgreens

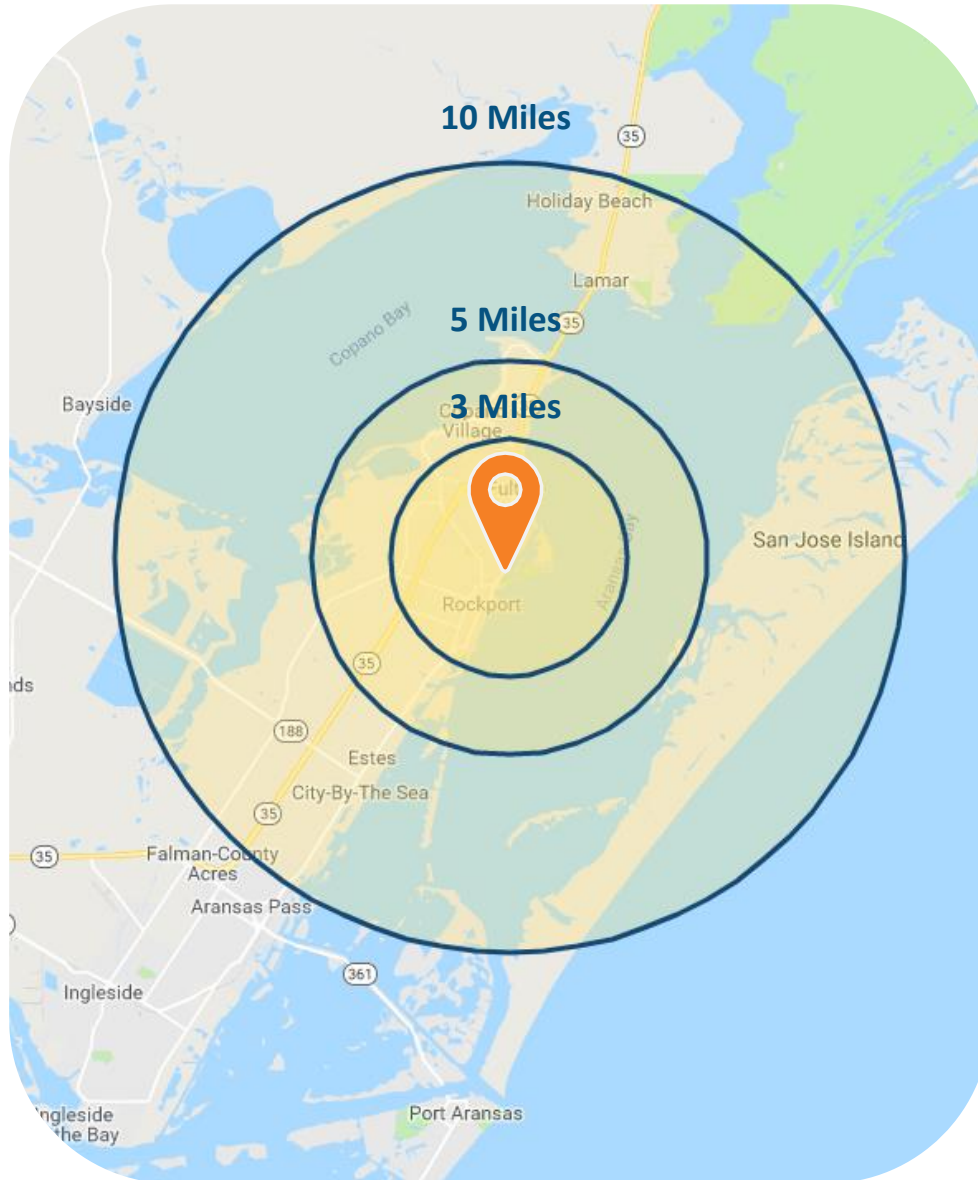




Demographics

Property Address: 1309 Highway 35 North – Rockport, TX 78382

Walgreens



POPULATION

	3 Miles	5 Miles	10 Miles
2024 Projection	15,945	20,456	26,754
2019 Estimate	15,533	19,761	25,738
2010 Census	14,062	17,683	22,820
2000 Census	13,508	16,529	22,126

INCOME

	3 Miles	5 Miles	10 Miles
Average	\$73,716	\$74,388	\$71,485
Median	\$49,730	\$48,812	\$46,710
Per Capita	\$31,396	\$31,766	\$30,863

HOUSEHOLDS

	3 Miles	5 Miles	10 Miles
2024 Projection	6,785	8,741	11,586
2019 Estimate	6,543	8,367	11,035
2010 Census	5,826	7,378	9,641
2000 Census	5,405	6,669	8,970

HOUSING

	3 Miles	5 Miles	10 Miles
2019	\$173,489	\$175,172	\$170,222

EMPLOYMENT

	3 Miles	5 Miles	10 Miles
2019 Daytime Population	14,973	17,311	20,649
2019 Unemployment	5.97%	5.98%	6.34%
2019 Median Time Traveled	19 Mins	20 Mins	23 Mins

RACE & ETHNICITY

	3 Miles	5 Miles	10 Miles
White	83.14%	84.24%	84.14%
Native American	0.03%	0.05%	0.06%
African American	2.54%	2.16%	2.40%
Asian/Pacific Islander	2.03%	2.12%	1.79%



Market Overview

City: Rockport | County: Aransas | State: Texas

Rockport is located just 25 miles outside the bustling city of Corpus Christi. The coastal city is located in South Texas, and is the county seat of Nueces County. The city's political boundaries encompass Nueces Bay and Corpus Christi Bay. The city includes the Port of Corpus Christ, which is the fifth-largest port in the United States and is the deepest inshore port on the Gulf of Mexico, handling mostly oil and agricultural products. Corpus Christi is also the eighth-largest city in Texas. The majority of the population of Corpus Christi is employed in the services, wholesale and retail trades, and government sectors. Much of the local economy is driven by tourism and the oil and petrochemicals industry. Texas A&M – Corpus Christi is located in the city and has more than 11,240 students enrolled. Corpus Christi International Airport is located just five miles west of the central business district. The airport serves more than 353,000 passengers annually. Additionally, Corpus Christi is home to Naval Air Station Corpus Christi, which provides 6,200 civilian jobs to the local economy, making it the single largest employer in the city. Corpus Christi Army Depot, located on Naval Air Station Corpus Christi, is the largest helicopter repair facility in the world.

Major Employers

Employer	Estimated # of Employees
Walmart	440
County of Aransas	422
Care Regional Medical Center	211
Big Fisherman	154
Lowes	150
Coastal Production Services	145
H E B Food Store 333	125
City of Rockport	115
Rockport-Fulton Middle School	112
Rockport-Fulton High School	110
Bayshore Nrsing Rhbltation Ctr	99

Corpus Christi, TX



EXCLUSIVE NET LEASE OFFERING

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