

Walgreens

EXCLUSIVE OFFERING MEMORANDUM

Marcus & Millichap



OFFERING

MEMORANDUM

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Aerial Video



4 Central Square,
Bridgewater, MA 02324

Confidentiality and Disclaimer



4 Central Square, Bridgewater, MA 02324

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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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properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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Investment Highlights

PRICE: \$11,733,333 | CAP: 6.00% | RENT: \$704,000

Walgreens

About the Investment

- ✓ Rare Absolute NNN Walgreens with Rental Increases Every Ten Years
- ✓ Over 13-Years of NNN Term Remain | Next 5.3 Percent Rental Increase to Occur in 2028
- ✓ Strong Performing Store in a Dense, Downtown Location
- ✓ Affluent Local Population | Average Household Income Exceeds \$114,000 Within a Three-Mile Radius

About the Location

- ✓ Dense Urban Infill | CVS, McDonald's, KFC, Burger King, Santander Bank, Dunkin' Donuts, Subway, Advance Auto Parts, Midas, NAPA Auto Parts, and Many More
- ✓ Positive Location Fundamentals | Less Than One Miles From Bridgewater State University & Bridgewater-Raynham Regional High School | Student Enrollment Totals Exceeding 12,800
- ✓ Strong Traffic Counts | Summer Street & Broad Street | 17,200 and 17,400 Vehicles Per Day, Respectively
- ✓ Robust Demographics | Population Exceeds 61,900 Individuals Within a Five-Mile Radius

About the Tenant / Brand

- ✓ BBB Credit Guaranty
- ✓ 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'





Financial Analysis

PRICE: \$11,733,333 | CAP: 6.00% | RENT: \$704,000

Walgreens

Property Description

Property	Walgreens
Property Address	4 Central Square
City, State, ZIP	Bridgewater, MA 024324
Year Built / Renovated	2008
Building Size	14,820
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$11,733,000
CAP Rate	6.00%
Annual Rent	\$704,000

Lease Summary

Property Type	Net Leased Drug Store
Tenant / Guarantor	Corporate
Ownership Type	Condo (All Condo Expenses Paid by Tenant)
Original Lease Term	25 Years
Lease Commencement	09/22/2008
Lease Expiration	09/30/2033
Lease Term Remaining	13+ Years
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Options to Renew	Ten, Five Year Options with Rental Increases

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent	Rent Escalation (%)
Year 1-10	\$670,000	\$55,833	-
Year 11-20	\$704,000	\$58,666	5.1%
Year 21-30*	\$741,400	\$61,783	5.3%
Year 31-40	\$782,540	\$65,212	5.5%
Year 41-50	\$827,794	\$68,983	5.8%
Year 51-60	\$877,573	\$73,131	6.0%
Year 61-70	\$932,331	\$77,694	6.2%
Year 71-75	\$992,564	\$82,714	6.5%

*Tenant has an Option to Terminate at Year 25 and Every 5 Years Thereafter

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Walgreens Pharmacy located at 4 Central Square in Bridgewater, Massachusetts. This is a rare opportunity to acquire a core New England market drug-store that reports strong annual sales and features over five percent rental escalations every 10 years. Constructed in 2008, the Walgreens Pharmacy and drive-through consist of 14,820 square feet as part of a larger 2.15-acre shopping center.

Located less than 40 minutes south of Boston in the town of Bridgewater, the Walgreens benefits from an affluent surrounding population (over \$113,000 average household income) and a dense population (over 341,000 people within a 10-mile radius). Traffic counts in front of the asset are strong with over 18,200 vehicles passing the site each day. The immediate area of Central Square consists of a dense stretch of retailers that serve the local population as well as the 11,200 students that attend the nearby Bridgewater State University.



Location Overview

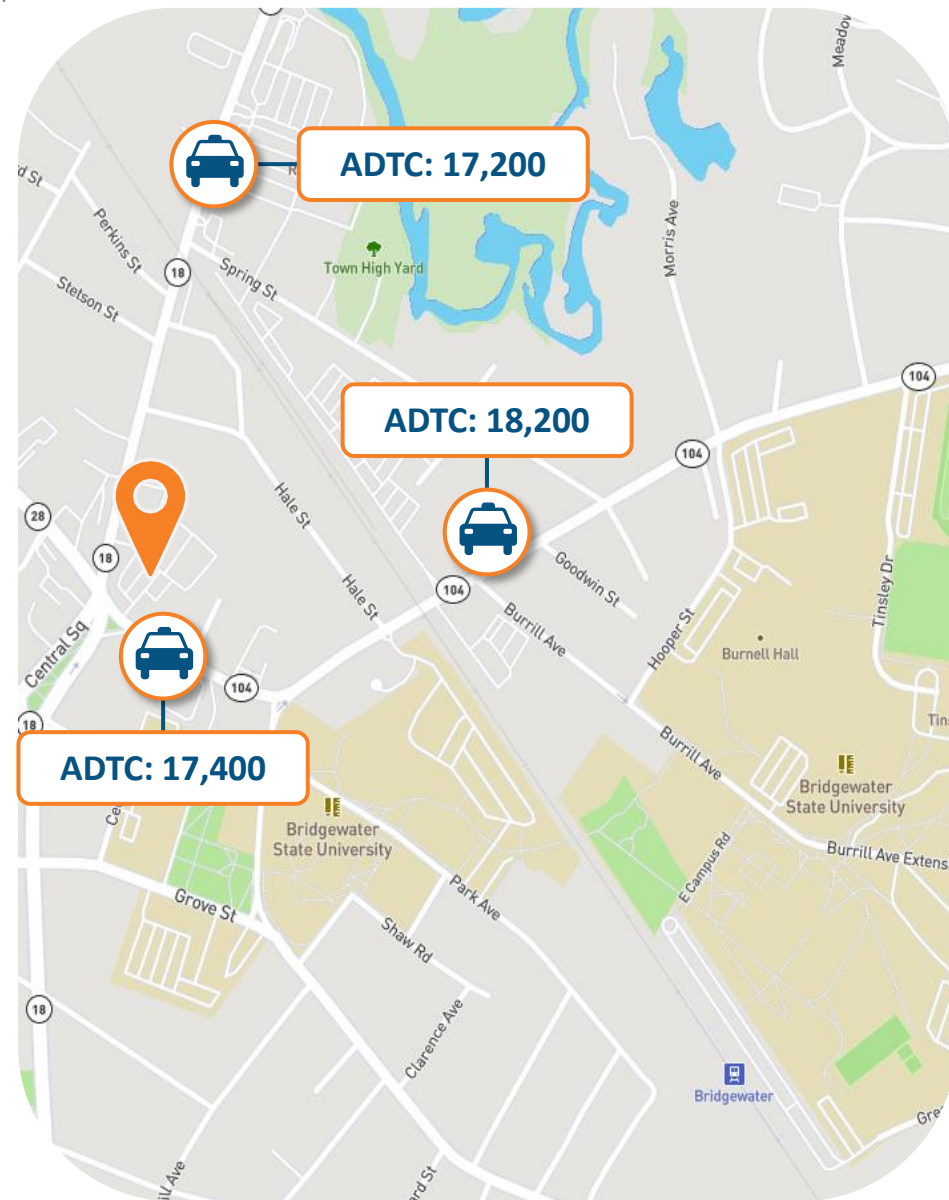
Property Address: 4 Central Square, Bridgewater, MA 02324

Walgreens

This Walgreens greatly benefits from its prime location just miles west of the Cape Cod Bay, in Bridgewater, Massachusetts. Located just 40 minutes south of Boston, an abundance of modes of transportation make travel to and from seamless. The subject investment property is situated in Central Square, which has an average daily traffic count of 17,400 vehicles. Central Square consists of a small yet dense stretch of retailers in downtown Bridgewater, feeding 17,400 & 18,200 vehicles from both Summer Street and Plymouth Street, respectively, to the immediate vicinity of the property and to the nearby Bridgewater State University; bringing a average total of daily vehicles to the subject investment property, respectively. This investment property benefits from its robust demographics. There are more than 61,850 individuals residing within a five-mile radius of the property and more than 341,900 individuals within a ten-mile radius. The subject Walgreens is also positioned in an affluent neighborhood, within a five-mile radius the average household income exceeds \$113,000, which is close to three times the national average.

The subject property benefits from being well-positioned in a highly dense urban infill consisting of national and local tenants, hospitality accommodations, and shopping centers all within close proximity of this property. Major national tenants include: CVS, McDonald's, KFC, Burger King, Santander Bank, Dunkin' Donuts, Subway, Advance Auto Parts, Midas, NAPA Auto Parts, in addition to various other local retailers and vibrant small businesses. This Walgreens is located less than one mile from the Bridgewater State University, where over 9,400 undergraduate, and 1,800 postgraduate, students attend the largest of the nine Massachusetts state universities. The State University is additionally the 10th Largest four-year college in Massachusetts with over 39 academic purposed buildings, 11 residence halls and 1 student apartment on over 278 acres. Additionally, and just under a mile from the subject Walgreens investment property is Bridgewater-Raynham Regional Highschool, with just under 1,500 students. Just under three miles from the subject property is the Bridgewater State Hospital that is a substantial employer in both Bridgewater and neighboring towns. On just over 100 acres of land is the luxurious yet affordable Waterford Village Apartment complex, just under a mile from the subject property.

Bridgewater is a city located in Plymouth County, Massachusetts, just under 25 miles south of Boston and 35 miles east of Providence, Rhode Island. The Boston-Cambridge Metro provides an abundance of downtown areas where businesses and residents thrive alike. The suburbs surrounding Boston consist primarily of commuters that travel to and from Boston making it an ideal location for residents looking for work in and around the Boston Metro.





Surrounding Area

Walgreens





Property Photo

Walgreens





Property Photo

Walgreens





Surrounding Property Photos

Walgreens





Walgreens





Walgreens



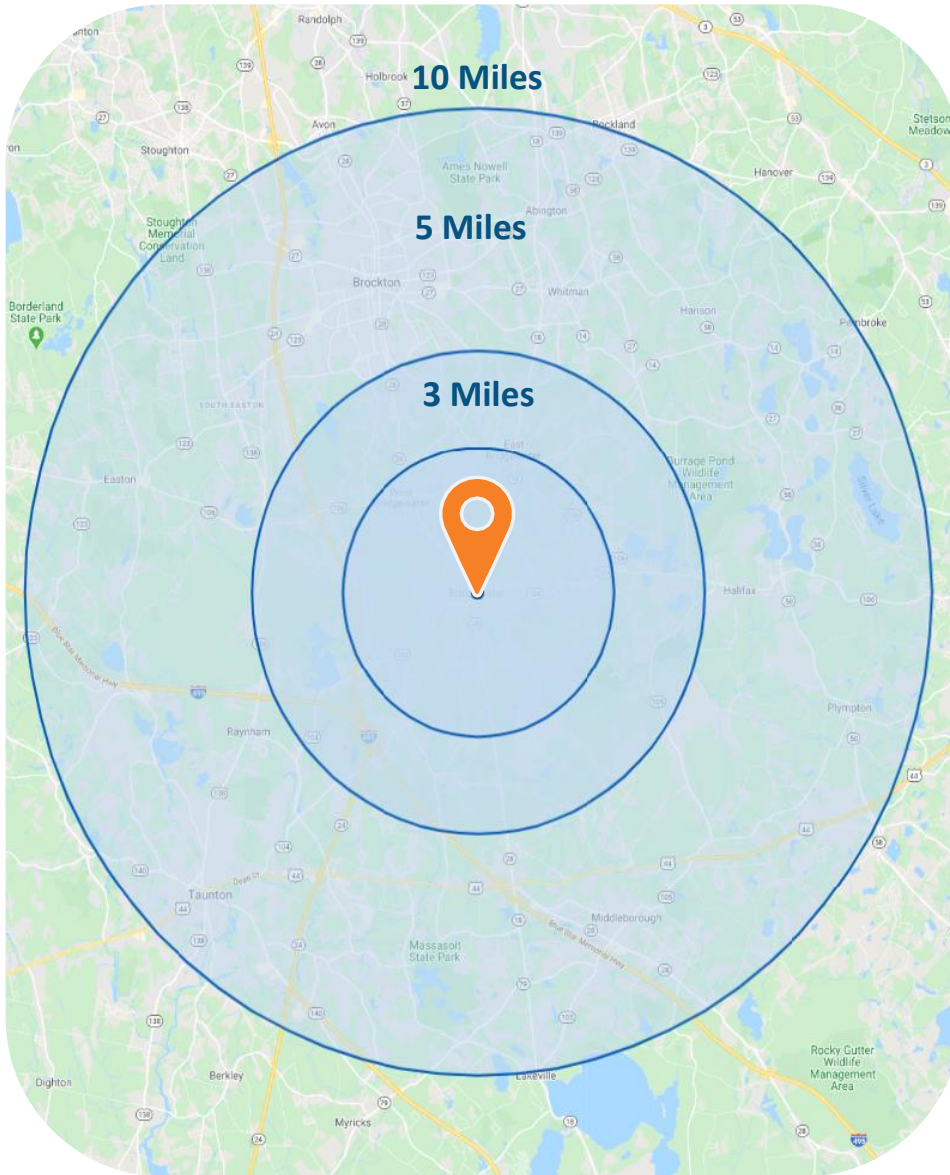
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Demographics

Property Address: 4 Central Square, Bridgewater, MA 02324

Walgreens



3 Miles 5 Miles 10 Miles

POPULATION

2024 Projection	29,187	63,808	349,649
2019 Estimate	28,282	61,844	341,890
2010 Census	26,733	58,519	327,350
2000 Census	24,830	54,719	315,566

INCOME

Average	\$113,931	\$112,835	\$97,677
Median	\$93,009	\$91,677	\$76,529
Per Capita	\$40,246	\$39,539	\$36,204

HOUSEHOLDS

2024 Projection	10,064	22,025	128,993
2019 Estimate	9,628	21,120	125,324
2010 Census	8,887	19,576	118,251
2000 Census	8,358	17,750	112,249

HOUSING

2019	\$356,082	\$343,039	\$324,102
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EMPLOYMENT

2019 Daytime Population	31,604	58,275	307,464
2019 Unemployment	4.45%	4.16%	4.65%
2019 Median Time Traveled	34 Mins	34 Mins	34 Mins

RACE & ETHNICITY

White	90.83%	87.99%	74.89%
Native American	0.00%	0.00%	0.04%
African American	4.37%	6.75%	13.49%
Asian/Pacific Islander	1.47%	1.30%	1.87%



Market Overview

City: Plymouth | County: Plymouth | State: Massachusetts

Boston, MA

Boston is the capital and most populous city of the Commonwealth of Massachusetts. The city proper covers 48 square miles with an estimated population of 685,094 in 2017, making it also the most populous city in New England. The city is the economic and cultural anchor of a substantially larger metropolitan area known as Greater Boston, a metropolitan statistical area (MSA) home to a census-estimated 4.8 million people in 2016 and ranking as the tenth-largest such area in the country. Its rich history attracts many tourists, with Faneuil Hall alone drawing more than 20 million visitors per year. Boston's many firsts include the United States' first public park (Boston Common, 1634), first public or state school (Boston Latin School, 1635) and first subway system (Tremont Street Subway, 1897). The Boston area's many colleges and universities make it an international center of higher education, including law, medicine, engineering, and business, and the city is considered to be a world leader in innovation and entrepreneurship, with nearly 2,000 startups. Boston's economic base also includes finance, professional and business services, biotechnology, information technology, and government activities. Households in the city claim the highest average rate of philanthropy in the United States; businesses and institutions rank among the top in the country for environmental sustainability and investment.

Walgreens



EXCLUSIVE NET LEASE OFFERING

