



WALGREENS & MATTRESS FIRM

166 WALNUT STREET, SAUGUS, MA 01906

LOCATED ON THE CORNER OF ROUTE 1 AND WALNUT STREET

Offering Memorandum

Marcus & Millichap
RICHARD DRINKWATER
RETAIL GROUP

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WALGREENS & MATTRESS FIRM

166 WALNUT STREET, SAUGUS, MA 01906

EXCLUSIVELY LISTED BY

LAURIE ANN (L.A.) DRINKWATER, CCIM

Senior Vice President Investments

Senior Director - National Retail Group

Boston Office

Tel 617.896.7230

Fax 866.262.3242

laurieann.drinkwater@marcusmillichap.com

Licenses: CT REB.0751880,

MA 147511, RIB 16787

SETH J. RICHARD

First Vice President Investments

Senior Director - National Retail Group

Manhattan Office

Tel 212.430.5164

Fax 866.262.3242

seth.richard@marcusmillichap.com

Licenses: NY 10401275108,

CT RES-0764595, MA 149700

BROKER OF RECORD

John Horowitz

License: 1000303

Marcus & Millichap
RICHARD DRINKWATER
RETAIL GROUP

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EXECUTIVE SUMMARY

WALGREENS & MATTRESS FIRM

OFFERING HIGHLIGHTS

OFFERING PRICE	CAP RATE	NOI
\$13,444,000	5.73%	\$771,000

VITAL DATA

Price	\$13,444,000
Cap Rate	5.73%
Price/SF	\$630.58
NOI	\$771,000
Lease Type	NNN
Gross Leasable Area	21,320 SF
Year Built	2006
Lot Size	2.26 Acres

LOCATION HIGHLIGHTS



166 Walnut Street,
Saugus, MA 01906



317,742
5-Mile Population



\$134,632
Average Household
Income



119,934
Vehicles Per Day



INVESTMENT HIGHLIGHTS

WALGREENS & MATTRESS FIRM

INVESTMENT HIGHLIGHTS

CAP RATE	OFFERING PRICE	NOI
5.73%	\$13,444,000	\$771,000

ABOUT THE INVESTMENT

- 100% Occupied by Walgreens and Mattress Firm
- Walgreens: 12 years Remaining with 10 5-Year Options
- Billboard 100% Controlled by Walgreens
- Walgreens: High Annual Sales
- 2 Points of Ingress/Egress – Rare North/South Highway Access
- Year Built: 2006
- Corporate Guaranteed Leases
- 2.26 Acres

ABOUT THE LOCATION

- Centrally Located on Route 1 – ADT: 119,934
- Major Retail Corridor
- 12 Miles from Boston Logan International Airport
- Over 317,000 People within 5 Mile Radius
- AHHI: \$134,000+
- Nearby Retail Includes Bob's Discount Furniture, Bed Bath & Beyond, Kohl's, Target, CVS, Trader Joe's, Staples, Barnes & Noble, Walmart Supercenter, Stop & Shop, Marshalls, Michaels, Dollar Tree, Bernie & Phyl's, The Home Depot, Ocean State Job Lot, Best Buy, Dick's Sporting Goods, TJ Maxx, Macy's and more





PROPERTY DESCRIPTION

WALGREENS & MATTRESS FIRM

PROPERTY DETAILS

The subject property is a Walgreens and Mattress Firm building located directly on Route 1 in Saugus, Massachusetts. The building consists of 21,320 square feet of gross leasable area and sits on 2.26 acres of land. Walgreens occupies 70% of the building and operates on a NNN lease with 12 years remaining on the base term. Walgreens also has ten five-year options and has 100% control over the billboard overlooking Route 1. This Walgreens location has extremely high sales and includes a drive-thru. Mattress Firm occupies the other 30% of the building and operates on a NNN lease with two years remaining. Mattress Firm has one five-year option to extend their lease.

The property is centrally located on Route 1 in Saugus with exceptional traffic counts (119,000+ daily). Directly at the property are full service on and off ramps with an overpass. Walgreens and Mattress Firm are 12 miles from Boston Logan International Airport. Besides I-93, Route 1 is the major roadway commuters use to access Boston from the North Shore. This roadway is a major retail corridor and has extremely strong demographics with over 317,000 people within a five mile radius. The average household income within one mile of the property is over \$134,000. Other major retailers in the area include Bob's Discount Furniture, Kohl's, Bed Bath & Beyond, Trader Joe's, Staples, Target, CVS, Marshalls, Michaels, The Home Depot, Walmart Supercenter, Ocean State Job Lot, Dick's Sporting Goods, Macy's, TJ Maxx, Best Buy and more.

WALGREENS & MATTRESS FIRM

Property Address	166 Walnut Street, Saugus, MA 01906
GLA	21,320 SF
Year Built	2006
Lot Size	2.26 Acres
Type of Ownership	Fee Simple
Guarantor	Corporate
Lease Type	NNN



PROPERTY DETAILS

WALGREENS

WALGREENS	
Year Built	2006
Acres	2.26
Type of Ownership	Fee Simple
Guarantor	Walgreen Co.
Gross Leasable Area	14,820 SF
NOI	\$615,000
Lease Type	NNN
Expiration Date	11/30/2032
Term Remaining	12 Years
Options	10 5-Year Options
Percentage Rent	Yes
Drive-Thru	Yes
Rent Increases	None
Landlord Responsibilities	Roof & Structure, Parking Lot Replacement

MATTRESS FIRM

MATTRESS FIRM	
Year Built	2006
Acres	2.26
Type of Ownership	Fee Simple
Guarantor	Sleepy's, LLC
Gross Leasable Area	6,500 SF
NOI	\$156,000
Lease Type	NNN
Expiration Date	11/30/2022
Term Remaining	2 Years
Options	1 5-Year Option
Percentage Rent	No
Rent Increases	33% at Beginning of Option
Landlord Responsibilities	Roof & Structure

TENANT OVERVIEW

WALGREENS walgreens.com

Whether you get your drugs from the pharmacist or the chemist, Walgreens Boots Alliance has you covered. The company, formed when US-based Walgreen Co. bought its European counterpart Boots Alliance, includes more than 13,200 retail pharmacies (or chemists in some parts of the world) in 11 countries, mostly the US and its territories and the UK, selling prescription and OTC drugs along with health and beauty products and general merchandise. The Boots Alliance part of the company also includes wholesale operations serving more than 230,000 pharmacies, hospitals, and clinics in upwards of 20 countries. Walgreens Boots Alliance was formed in 2014.



COMPANY TYPE
SUBSIDIARY

PARENT
**Walgreens Boots
Alliance, Inc.**

OF LOCATIONS
9,964

2019 REVENUE
\$6.94B

2019 SALES
\$136.9B

CREDIT RATING
S&P: BBB

STOCK TICKER
WBA

TENANT OVERVIEW

MATTRESS FIRM

www.mattressfirm.com

For the past 90 years, Mattress Firm and its family of companies have been delivering better sleep by matching you with your perfect mattress at the perfect price. With top-rated brands like Tempur-Pedic, Sealy, Beautyrest, Purple, Serta, Sleepy's and more, finding your ideal mattress with a sleep expert in-store, online or by phone has never been easier. Today, Mattress Firm has grown to become America's largest mattress retailer with more than 2,000 neighborhood stores in 49 states.

While we're committed to finding you your perfect mattress, we're also committed to serving the communities where we live and work. Our Mattress Firm Foster Kids initiative, a program of the Ticket to Dream Foundation, hosts three collection drives throughout the year to ensure that foster children have the resources needed to get better sleep for a better future.



PARENT
STEINHOFF INTERNATIONAL HOLDINGS, N.V.

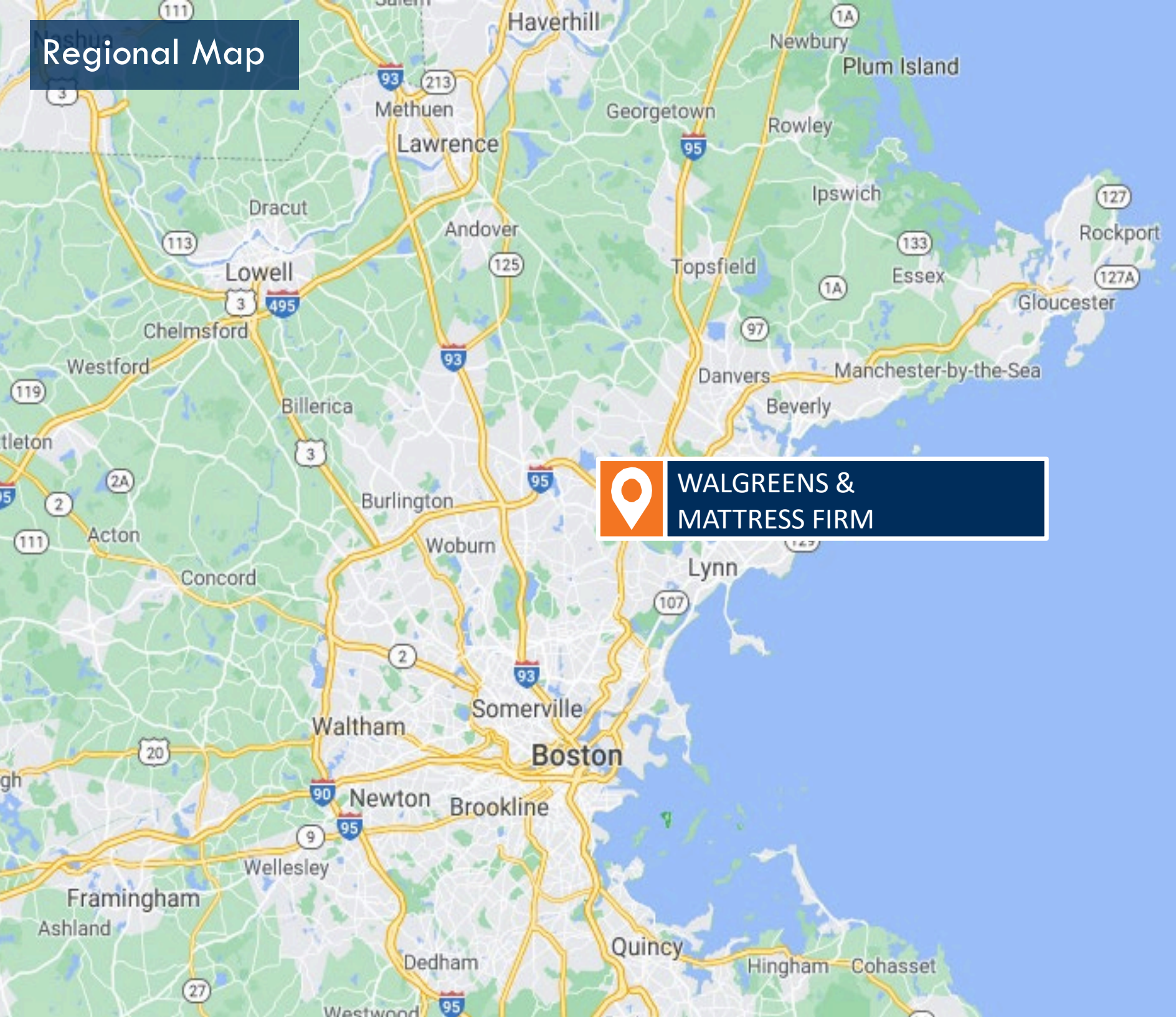
HEADQUARTERS
HOUSTON, TX

OF EMPLOYEES
10,000

2019 REVENUE
\$3.1B

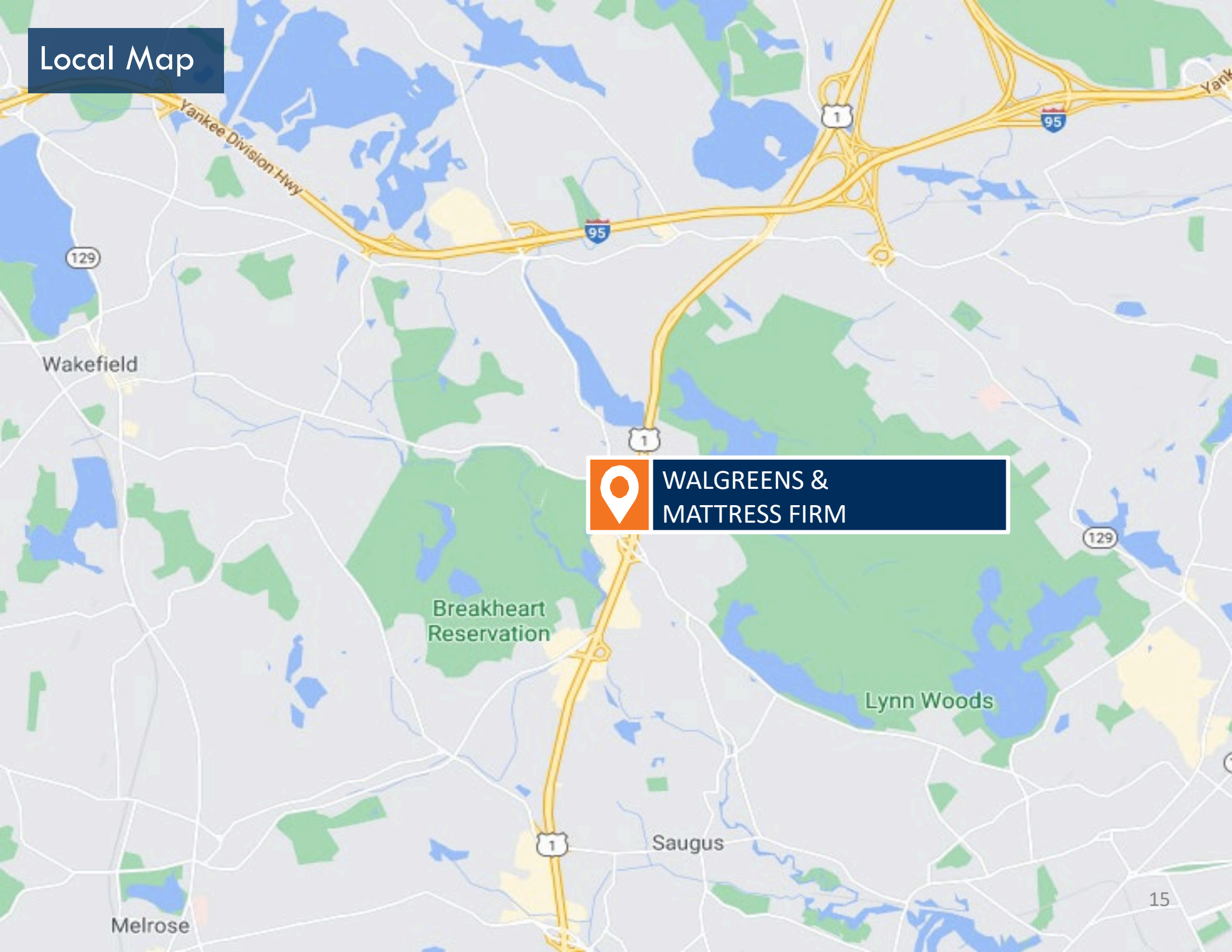
OF LOCATIONS
2,600

Regional Map



WALGREENS &
MATTRESS FIRM

Local Map



WALGREENS &
MATTRESS FIRM



BOB'S
DISCOUNT
FURNITURE

Ninety Nine
99
RESTAURANT & PUB
THE SALVATION ARMY

TOWN FAIR TIRE
POLCARI'S
DUNKIN'

MATTRESSFIRM
Walgreens

AT&T ShoYu
Chinese & Japanese Cuisine
FRESENIUS
KIDNEY CARE
M nutrition
orange leaf

BED BATH & Wine & Spirits
BEYOND OSHKOSH
Big Y petco carter's

BOSTON MARKET VAPE
Signarama
Balloonatics
The way to grow your business.

ROLLER WORLD
TACO BELL KFC Papa Gino's
THE HONEY BAKED Hamco

the paper store
Applebees Miracle-Ear
AAA H&R BLOCK COSMOPROF
WORLDWIDE BOLOGNA

Route 1 (119,934 Vehicles)
Walnut Street (7,790 Vehicles)



Square One Mall
DICK'S SPORTS GOODS
★ macy's
sears
BEST BUY
TJ-MAXX

StopsShop
FLOOR DECOR

CVS pharmacy
Safelite
JO-ANN
AutoGlass

Bernie & Phyllis
HOCKEY USA

boston interiors
SKECHERS
THE VITAMIN SHOPPE
Archie & Craftsman

Marshalls
DOLLAR TREE
Michaels

CVS pharmacy
TARGET
NORTH SHORE BANK
KELLY'S

BED BATH & BEYOND
Wine & Spirits
KOHLS
petco
carter's
OSHKOSH

MATTRESS FIRM
Walgreens

BOB'S
DISCOUNT FURNITURE

Ninety Nine
RESTAURANT & PUB

ROLLER WORLD
TACO BELL
KFC
Papa Gino's
THE HONEY BAKED Ham

LA Z BOY
TRADER JOE'S
PETS MART
5.11 TACTICAL SERIES
Starbucks
verizon

CHIPOTLE
Staples
BARNES & NOBLE

WAL-MART
SUPER CENTER

FedEx
People's United Bank
NTB

Ocean State
JOB LOT

paper store
Applebees
AAA
COSMOPROF
WORLDWIDE SOLOGNA

WAP
Balloوناتics
Signarama

AT&T
ShoYu
FRESENIUS KIDNEY CARE
nutrition
orange leaf

TOWN FAIR TIRE
POLCARI'S
DUNKIN'

Walnut Street
(7,790 Vehicles)

Route 1 (119,934 Vehicles)



FINANCIAL ANALYSIS

WALGREENS & MATTRESS FIRM

PRICING SUMMARY

SUMMARY

PRICE \$13,444,000

Down Payment \$13,444,000

Price Per SF \$630.58

NOI \$771,000

Gross Leasable Area 21,320 SF

Lease Type NNN

Ownership Type Fee Simple

Year Built 2006

Occupancy 100%

RETURNS

CAP RATE 5.73%

Cash-on-Cash 5.73%



TENANT SUMMARY

Tenant Name	Square Feet	Lease Start	Lease End	Increase	Rent/SF	Annual Rent	Lease Type
Walgreens	14,820	11/27/2007	11/30/2032		\$41.50	\$615,000	NNN
Mattress Firm	6,500	12/1/2007	11/30/2022		\$24.00	\$156,000	NNN
	Opt. 1	12/1/2022	11/30/2027	33%	\$32.00	\$208,000	



MARKET OVERVIEW

WALGREENS & MATTRESS FIRM

BOSTON OVERVIEW

Steeped in history, the Boston metro spans 4,128 square miles across Essex, Middlesex, Norfolk, Plymouth and Suffolk counties in Massachusetts, and Rockingham and Strafford counties in southeastern New Hampshire. The region is home to approximately 4.8 million individuals and accounts for nearly 71 percent of all Massachusetts' residents. Boston is the most populous city in the metro with roughly 680,000 citizens. It is located along the Atlantic seaboard and fronts Boston Harbor. The harbor is a natural estuary of Massachusetts Bay and home to the Port of Boston. The metro also has a well-developed distribution infrastructure by road, rail and air, and it provides the only full-service cargo terminal in the region, servicing many of the world's top container lines.

METRO HIGHLIGHTS



HIGHLY EDUCATED AND SKILLED WORKFORCE

Boston offers one of the world's largest concentrations of colleges and universities and boasts a well-educated workforce.



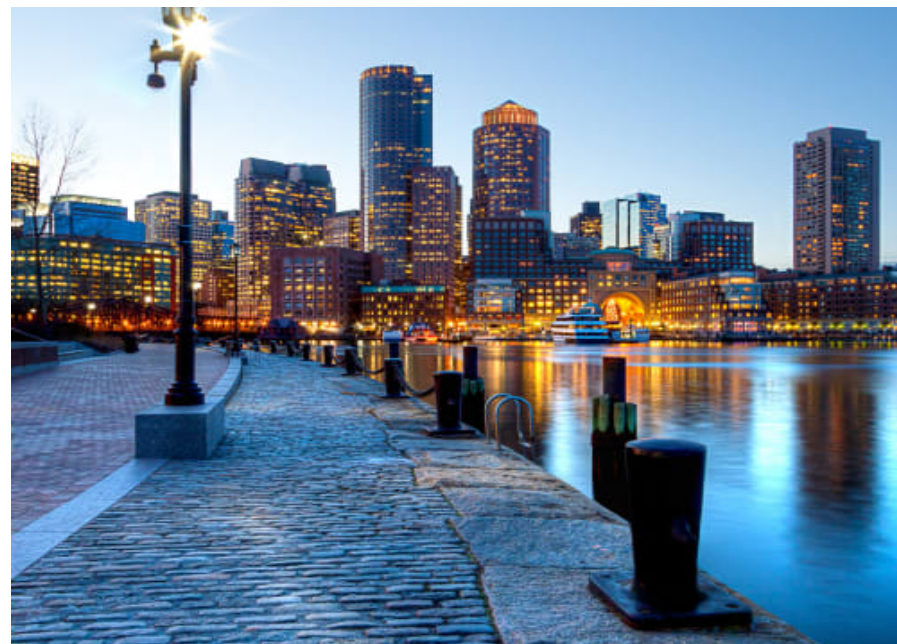
LEADING LIFE-SCIENCES CLUSTER

A deep talent pool and world-renowned research and health institutions support the metro's highly ranked life-sciences sector and attract companies.



GLOBAL FINANCIAL CENTER

Boston is regarded as one of the top 10 financial centers in the world, with many bank and insurance, wealth management and venture capital firms.



NATIONAL RANKINGS

#1 U.S. State for Education

#1 Best City for Active Living

#1 Most Innovative State

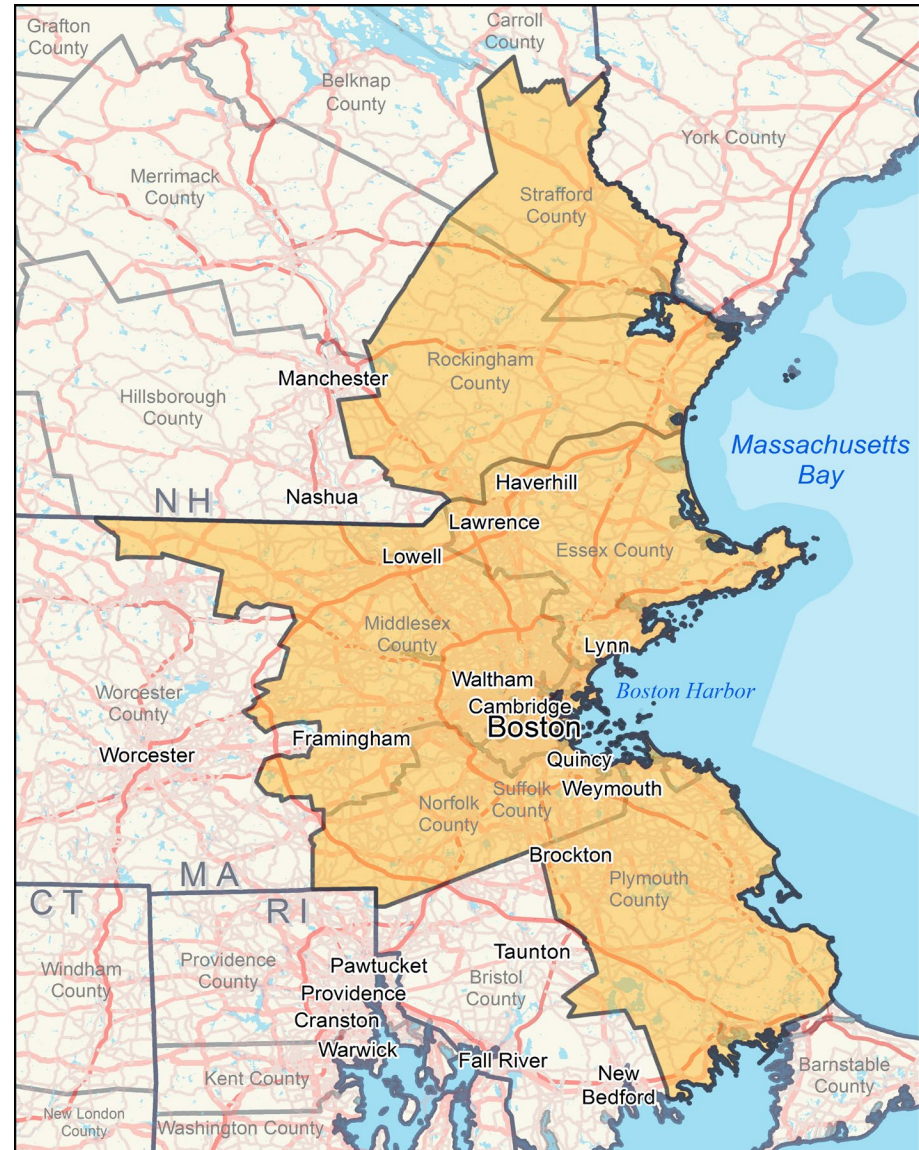
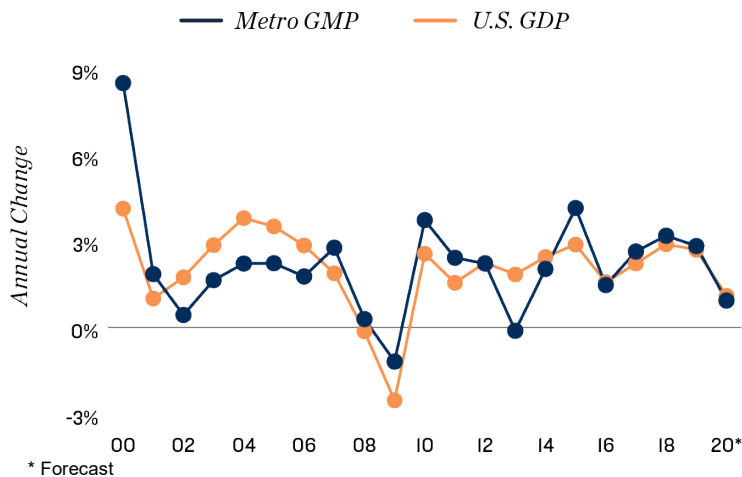
#1 U.S. City for Quality of Life
(#8 Globally)

#3 Most Walkable U.S. City

ECONOMY

- ▶ Boston has transitioned from a manufacturing hub to one of the top innovation, healthcare and education centers of the world.
- ▶ Numerous Fortune 500 companies are headquartered in Boston, including a handful of financial-sector mainstays. Boston also has sizable high-tech/defense, biotech, and pharmaceutical firms, including Raytheon, Biogen, TJX, and Boston Scientific.
- ▶ The Metro is home to a thriving startup ecosystem, with medical research at world-renowned institutions such as Harvard and MIT at its core.

Economic Growth



SHARE OF 2019 TOTAL EMPLOYMENT

21%

EDUCATION & HEALTH
SERVICES

19%

PROFESSIONAL &
BUSINESS SERVICES

15%

TRADE,
TRANSPORTATION &
UTILITIES

11%

GOVERNMENT

10%

LEISURE &
HOSPITALITY

DEMOGRAPHICS HIGHLIGHTS



317,742

POPULATION WITHIN 5-MILE RADIUS



126,757

HOUSEHOLDS WITHIN 5-MILE RADIUS



\$134,632

AVERAGE HOUSEHOLD INCOME



DEMOGRAPHICS

POPULATION	1 MILE	3 MILE	5 MILE
2020 Estimated Population	3,481	82,726	317,742
2025 Projected Population	3,493	84,338	324,473
Population Growth 2020 - 2025	0.34%	1.95%	2.12%
Average Age	49	44	40
HOUSEHOLDS	1 MILE	3 MILE	5 MILE
2020 Estimated Households	1,258	32,999	126,757
Projected Household Growth 2020 - 2025	0.56%	2.70%	2.71%
Average Household Income	\$134,632	\$122,392	\$107,491
Average Household Size	2.6	2.5	2.5
2020 Average Vehicles Per Household	2.0	2.0	2.0
HOUSING	1 MILE	3 MILE	5 MILE
Median Home Value	\$487,335	\$452,116	\$437,715
Median Year Built	1969	1955	1955

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Senior Vice President Investments
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Tel 617.896.7230
Fax 866.262.3242

laurieann.drinkwater@marcusmillichap.com

Licenses: CT REB.0751880, MA 147511, RI B 16787

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Tel 212.430.5164
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