

WALGREENS

1536 EAST 23RD STREET SOUTH INDEPENDENCE, MISSOURI 64055 (KANSAS CITY MSA)

OFFERING MEMORANDUM

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INVESTMENT OVERVIEW

6.15%

+2.117 Acres*

WALGREENS

INDEPENDENCE, MISSOURI (KANSAS CITY MSA)

WALGREENS

LOCATION 1536 East 23rd Street South Independence, Missouri 64055

MAJOR CROSS STREETS NWC of E 23rd St S & S Lee's Summit Rd

TENANT WALGREEN CO.

PURCHASE PRICE \$4,000,000

ANNUAL RENT \$246.000

ANNUAL RENI \$240,000

GROSS LEASABLE AREA ±13,905

RENTAL ESCALATIONS Fla

TENTAL ESCALATIONS

LEASE TYPE NN**

OWNERSHIP (Building & Land) Fee Simple

YEAR BUILT 1998

LEASE EXPIRATION July 31, 2033

OPTIONS Nine 5-Year Renewal Options

PARKING LOT Aspha

BUILDING Concrete Block Exterior Walls & Steel Bar Joist Roof Framing

ROOF Thermoplastic Polyolefin Roof Membrane

CAP RATE

LOT SIZE

POINTS OF INTEREST

RETAIL | ENTERTAINMENT: Nearby retailers include Hyvee, ALDI, Price Chopper, Tractor Supply Co., Dollar Tree, Dollar General, Family Dollar, Rent-A-Center, etc.; 3.5 miles from Independence Center (a 1.03 million SF shopping center anchored by Macys, Dick's Sporting Goods & Dillard's with more than 120 distinctive shops & restaurants); Target, Walmart Supercenter, Costco, Bass Pro Shops, Sam's Club, Hobby Lobby, Home Depot, Lowe's Home Improvement, Menards & other major retailers are within 4 miles from the subject property

HIGHER EDUCATION: 3 miles from Metropolitan Community College - Blue River (a public community college offering various degree programs with 2,393 students)

HEALTHCARE: 4 miles from Centerpoint Medical Center (a general medical & surgical hospital with 285 beds)

INVESTMENT HIGHLIGHTS

LEASE: 12+ Years Remaining on Corporate Guaranteed NN Lease! Tenant Renewed Lease Early for 15 Additional Years Showing Their Commitment to The Location!

TENANT: Walgreens Boots Alliance (NASDAQ: WBA | S&P BBB Negative Credit Rating | Moody's Baa2 Negative Rating) has 9,021 Retail Stores Under the Walgreens & Duane Reade Brands in the U.S.

MAJOR RENOVATIONS: New Roof Installed in November 2020 with 20-Year Transferable Warranty | Major Parking Lot Renovation & Improvements in 2016

LARGE PARCEL | TRAFFIC COUNTS: Situated on a Large ±2.117-Acre Lot - Well Positioned at Signalized Intersection (Hard Corner) where **Traffic Counts Exceed 37,730 CPD!**

COVID RESISTANT: Open & Operating During Pandemic (Essential Business) - Paying Full Rent

2020 DEMOGRAPHICS (5-MI): Total Population: 142,263 | Average Household Income: \$74,219

Kansas City MSA is One of the Fastest Growing Metro Areas in the Midwest and is Home to Fortune 500 & 1000 Companies such as Cerner Corp., Sprint, Seaboard Corp, Evergy and H&R Block.



^{*} According to Jackson County Assessor

^{**} Landlord is responsible for Exterior & Structural Portions of the Building, Roof, All Utility Lines; including but not limited to Sewers, Sewer Connections, Pipes, Ducts, Wires & Conduits Leading To & From the Building.

FINANCIAL ANALYSIS

SUMMARY

TENANT Walgreens Co.

PURCHASE PRICE \$4,000,000

CAP RATE 6.15%

GROSS LEASEABLE AREA 13,905 SF

YEAR BUILT 1998

LOT SIZE ±2.117 Acres

EXPENSE REIMBURSEMENT

FINANCING

This is a **NN lease**. Landlord is responsible for Exterior & Structural Portions of the Building, Roof, All Utility Lines; including but not limited to Sewers, Sewer Connections, Pipes, Ducts, Wires & Conduits Leading To & From the Building.

All Cash or Buyer to obtain new financing at Close of Escrow.

RENT ROLL

TENANT INFO		LEASE TERMS	RENT SUMMARY		
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
Walgreens Co. RENEWAL OPTIONS	13,905	08/01/18 to 07/31/33*	Current	\$246,000	6.15%
		08/01/33 to 07/31/38	Flat	\$246,000	
		08/01/38 to 07/31/43	Flat	\$246,000	4
		08/01/43 to 07/31/48	Flat	\$246,000	
		08/01/48 to 07/31/53	Flat	\$246,000	
		08/01/53 to 07/31/58	Flat	\$246,000	
		08/01/58 to 07/31/63	Flat	\$246,000	
		08/01/63 to 07/31/68	Flat	\$246,000	
		08/01/68 to 07/31/73	Flat	\$246,000	

^{*} Lease started August 25, 1998.

TENANT OVERVIEW

INDEPENDENCE, MISSOURI (KANSAS CITY MSA)

Walgreens Boots Alliance, Inc. operates as a pharmacy-led health and beauty retail company. It operates through three segments: Retail Pharmacy USA, Retail Pharmacy International, and Pharmaceutical Wholesale.

The Retail Pharmacy USA segment sells prescription drugs and an assortment of retail products, including health, wellness, beauty, personal care, consumable, and general merchandise products through its retail drugstores. It also provides specialty pharmacy services and mail services.

As of August 31, 2020, this segment operated 9,021 retail stores under the Walgreens and Duane Reade brands in the United States; and six specialty pharmacies.

The Retail Pharmacy International segment sells prescription drugs; and health and wellness, beauty, personal care, and other consumer products through its pharmacy-led health and beauty stores and optical practices, as well as through boots.com and an integrated mobile application. This segment operated 4,428 retail stores under the Boots, Benavides, and Ahumada in the United Kingdom, Thailand, Norway, the Republic of Ireland, the Netherlands, Mexico, and Chile; and 550 optical practices, including 165 on a franchise basis.

The Pharmaceutical Wholesale segment engages in the wholesale and distribution of specialty and generic pharmaceuticals, health and beauty products, and home healthcare supplies and equipment, as well as provides related services to pharmacies and other healthcare providers. This segment operates in the United Kingdom, Germany, France, Turkey, Spain, the Netherlands, Egypt, Norway, Romania, the Czech Republic, and Lithuania.

Walgreens Boots Alliance, Inc. was founded in 1901 and is based in Deerfield, Illinois.

TYPE Public PARENT COMPANY Walgreens Boots Alliance, Inc. **TRADED AS** NASDAQ: WBA **INDUSTRY** Retail - Drug Stores S&P CREDIT RATING BBB Negative (07/23/2020) Baa2 Negative (08/07/2020) **MOODY'S RATING MARKET CAP** 36.67B (11/10/2020) 9,021 (As of 08/31/2020) **# OF LOCATIONS** Deerfield, IL **HEADQUARTERS WEBSITE** https://www.walgreens.com/



FACING EAST



FACING SOUTHEAST



FACING SOUTHWEST

HY-VEE, PRICE CHOPPER, BIG LOTS, PETCO, OFFICE DEPOT, **NORTHERN TOOL + EQUIPMENT,** HARBOR FREIGHT TOOLS





Unilever



















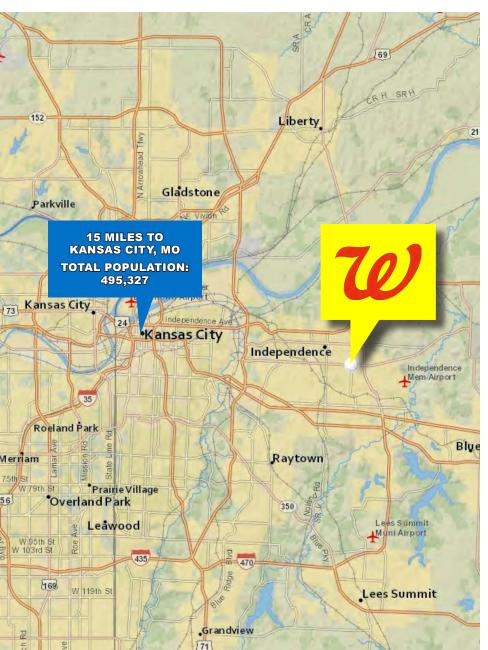






(KANSAS CITY MSA)

LOCATION OVERVIEW



Independence is the fifth largest city in the state of Missouri and encompasses over 78 square miles. It lies within Jackson County, of which it is the county seat. Independence is a satellite city of Kansas City, Missouri, and is part of the Kansas City metropolitan area. The city is positioned strategically at the crossroads of I-70 and I-470, where approximately 150,000 cars pass each day the City has become the regional retail, office and medical power center of Eastern Jackson County.

Four school districts have areas within the city: Independence, Blue Springs, Fort Osage Schools, and Raytown. The Independence School District is one of the fastest growing school districts in the area, currently serving 14,500 students. It is also the cities largest employer with over 2,200 employees.

Centerpoint Medical Center is part of HCA Midwest Health, a network of hospitals in the Kansas City and surrounding areas. The campus includes the medical center itself and a medical office building/outpatient services center connected to the hospital. Centerpoint Medical Center features 285 beds, state-of-the-art equipment and technology, and some of the latest clinical services available to patients.

Metropolitan Community College is a public community college system in the U.S. state of Missouri. The system consists of five separate campuses in Kansas City, Independence, and Lee's Summit. The campuses had a total enrollment of 15,770. MCC-Blue River campus is located in Independence, Missouri. The college joined the MCC system in 1997.

2020 DEMOGRAPHICS								
	1 -MI	3-MI	5-MI					
TOTAL POPULATION	8,718	71,319	142,263					
POPULATION MEDIAN AGE	40.1	40.6	40.1					
LABOR FORCE POPULATION	7,133	57,736	114,507					
AVERAGE HOUSEHOLD INCOME	\$68,980	\$69,969	\$74,219					

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