



Walgreens

LOUISVILLE, CO

OFFERING MEMORANDUM

LISTED BY

KYLE MATTHEWS

BROKER OF RECORD

LICENSE NO. EC.100070704 (CO)

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REAL ESTATE INVESTMENT SERVICES



Walgreens

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EXECUTIVE OVERVIEW



INVESTMENT HIGHLIGHTS

- **Wealthy Denver Suburb** - The subject property sits between Denver and Boulder, CO. Average Household Income in the 2-mile and 5-mile radius exceeds \$128,000.
- **High Growth Area** - The 5-mile area is experiencing an average annual growth of 2.50%. There are numerous, large, multifamily properties that have been developed nearby including Center Court Apartments, Christopher Village Apartments, North Main at Steel Ranch, Kestrel Apartments, DELO Apartments, and more.
- **Stabilized with Value-Add Opportunity** - This has been operating as a pharmacy since the 1970s and Walgreens has continued to exercise their options. However, 2 years are remaining with no options allowing for an investor to potentially increase rent with a longer lease term. Walgreens is currently paying under \$10 PSF.
- **Credit Tenant** - Walgreens has an investment grade credit rating (NASDAQ: WBA) - BBB rating by Standard & Poor's and a market cap of ±\$35B.
- **Strong Neighborhood Community Center** - In 2014, Alfalfa's, a regional grocer, moved in next to the Walgreens property as part of a mixed-use development with a large multifamily complex. King Soopers (Kroger) is located on the same street nearly a half-mile away.
- **Cheap Price Point** - The Walgreens property is priced at just \$2.2M which represents a price point of less than \$175 PSF, most Walgreens tend to sell for double the amount per square foot.





\$2,260,120

LIST PRICE



\$113,006

NOI



±1.33 AC

LOT SIZE



5.00%

CAP RATE

BUILDING INFO

Address

655 E South Boulder Rd,
Louisville, CO 80027

GLA of Building

±13,883 SF

Year Built

1979

TENANT SUMMARY

Tenant Trade Name	Walgreens
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord Responsible
Original Lease Term	25 Years
Rent Commencement	1/5/83
Lease Expiration Date	1/31/23
Term Remaining	±2.17 Years
Increases	Percentage Rent
Options	None remaining

ANNUALIZED OPERATING DATA

Lease Commence	Monthly Rent	Annual Rent*	Rent PSF	Cap Rate
Current-1/31/2023	\$9,417.17	\$113,006**	\$8.14	5.00%

**Based off 2019 rent*

***Annual rent = \$87,750 base rent + percentage rent of sales*

No options remaining

**Please contact a Barrington Capital
agent for financing options:**

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BARRINGTON CAPITAL
REAL ESTATE FINANCING SERVICES



CENTAURUS
HIGH SCHOOL

LOUISVILLE PLAZA
SHOPPING CENTER



LOUISVILLE
SPORTS COMPLEX



**NORTH MAIN
AT STEEL RANCH**
MULTIFAMILY APARTMENTS



E. S. BOULDER RD
± 23,000 VPD



**NEWLY DEVELOPED
CENTRE COURT**
MULTIFAMILY APARTMENTS



SUBJECT PROPERTY

LOUISVILLE BUSINESS PARK

DOWNTOWN LOUISVILLE
LESS THAN HALF A MILE AWAY

RETAIL CORRIDOR
± 2 MILES AWAY



LOUISVILLE
MIDDLE SCHOOL

DOWNTOWN LOUISVILLE
HOT SPOTS



E. S. BOULDER RD
± 23,000 VPD



ALFALFAS

NEWLY DEVELOPED
CENTRE COURT
MULTIFAMILY APARTMENTS

SUBJECT
PROPERTY

Walgreens



COMPANY NAME

Walgreens

OWNERSHIP

Public

YEAR FOUNDED

1901

INDUSTRY

Drug Store

HEADQUARTERS

Deerfield, IL

NO. OF EMPLOYEES

±253,400

TENANT OVERVIEW

The nation's #1 drugstore chain, Walgreens, operates close to 8,300 stores in all 50 US states, the District of Columbia, the Virgin Islands and Puerto Rico. Prescription drugs are the focus of the company as they account for close to two-thirds of sales; the rest comes from general merchandise, over-the-counter medications, cosmetics and groceries. Most locations offer drive-through pharmacies and one-hour photo processing, which separates them from competition. Recently, Walgreen Co. fully acquired Alliance Boots, Europe's leading drug wholesaler, to create Walgreens Boots Alliance, of which it is a subsidiary.

WALGREENS HEALTH FOCUS

Walgreens' overall value proposition differentiates it from competitors in valuable ways. Specifically, a focus on health gives Walgreens a competitive advantage over other pharmacies. By putting health at the forefront of all aspect of the business and reducing customers' shopping time, Walgreens has achieved placement in a league of its own as competition aims their focus on things such as convenience, design, or low prices.

MARKETING STRATEGY

Walgreens focuses on customer need and satisfaction. For example, the curbside pick-up service stemmed from the needs of working mothers who don't have the time to go into the store and shop. Creating loyalty amongst patrons is a priority for the company as it keeps them coming back and spending money.

LOUISVILLE, CO

Located between Denver and Boulder, CO, the City of Louisville is often recognized for its livability. Many things contribute to this exemplary quality of life and positive economic condition, including 1,700 acres of open space, dozens of great eateries, a thriving arts scene, great schools, wonderful neighborhoods and a diverse mix of employment opportunities.

The heartbeat of Louisville is the hometown feel of Historic Main Street that provides the ever-present link to the community's modest beginnings as a mining and agricultural town. With more than 100 businesses, art galleries and restaurants, this historic business district is a focal gathering point that attracts people from near and far. Louisville also offers accessibility to world-class healthcare facilities like Avista Adventist Hospital and a quality public school system. Avista offers more than 500 physicians on staff and a full range of medical specialties. As part of the Boulder Valley School District, Louisville schools offer open enrollment and consistently rank among the top in the state in standardized assessment tests.

Louisville has been named among the Best Places to Live by Money Magazine, 10 Best Towns for Families in the U.S. by Family Circle Magazine, Safest Places to Live by Elite Personal Finance, Best Cities to Live in Colorado by ChamberofCommerce.org and Most Budget-Friendly Cities for Renters by LendEDU.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 PROJECTION	13,619	56,067	104,837
2020 ESTIMATE	12,918	54,030	99,773
2010 CENSUS	9,709	45,892	81,294
GROWTH 2020-2025	1.1%	0.8%	1.0%
GROWTH 2010-2020	3.3%	1.8%	2.3%
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 PROJECTION	5,595	22,713	42,184
2020 ESTIMATE	5,299	21,835	39,984
2010 CENSUS	3,968	18,377	31,987
GROWTH 2020-2025	1.1%	0.8%	1.1%
GROWTH 2010-2020	3.1%	1.8%	2.5%
INCOME	1-MILE	3-MILE	5-MILE
AVERAGE HOUSEHOLD INCOME	\$123,001	\$123,702	\$128,196



DENVER, CO

Less than 60 miles away from Fort Collins lies the capital of Colorado. Denver is the largest city in the state and in the shadows of the Rocky Mountains. Today, Denver has a fast-growing population of around 560,000 and is an important commercial, industrial and transportation hub. The economy in the city revolves around telecommunications and biomedical technology industries as well as mining, construction, real estate, and tourism. The Denver International Airport is the largest airport in North America and spread over 53 square miles. The booming job market, affordable living, and a large student population contribute to the Denver-Boulder metropolitan area being ranked #1 on Fobes Magazine's list of the Best Cities For Singles.

MORE ON DENVER

There are nine major universities and colleges located within a 45-mile radius of the community, as well as numerous smaller institutions of higher learning. The larger institutions include the Universities of Colorado at Boulder and Denver, University of Denver, Metropolitan State College, University of Northern Colorado, Colorado State University, Colorado School

of Mines, Regis University, and Colorado Christian University. Thornton is served primarily by two school districts encompassing four high schools, five middle schools and fourteen elementary schools.

Thornton has aggressively pursued recreation programs with nearly 1,000 acres of land developed or designated for public parks. The numerous lighted

tennis courts, athletic fields, indoor and outdoor swimming pools, recreation centers and gymnasiums offer recreation opportunities for people of all ages and activity levels. Thornton's location provides an ideal environment for business, recreation, and residences.



DENVER ECONOMY

Denver's relatively central location makes it a natural location as a distribution hub for the American West, while also supporting several growing industries in technology and telecommunications. Its location just east of the mineral-rich Rocky Mountain range encouraged mining and energy companies to spring up in the area, making the energy industry another staple of Denver's economy. Colorado's capital is home to many nationally recognized museums, the second-largest performing arts center in the nation after Lincoln Center in New York City, and bustling neighborhoods such as LoDo (lower downtown), filled with art galleries, restaurants, bars, and clubs. Denver has gained a reputation as being a very active, outdoor-oriented city because of its proximity to the mountains and generally sunny weather.

#1

BEST PLACES FOR BUSINESS
AND CAREER -FORBES

2ND

LARGEST ECONOMY IN
THE UNITED STATES

±3M

10-COUNTY METRO
POPULATION

2.4%

PROJECTED JOB
GROWTH -FORBES

18TH

BEST PLACE TO LIVE
-US NEWS & WORLD
REPORT

3.5%

HOUSEHOLD INCOME
GROWTH -FORBES



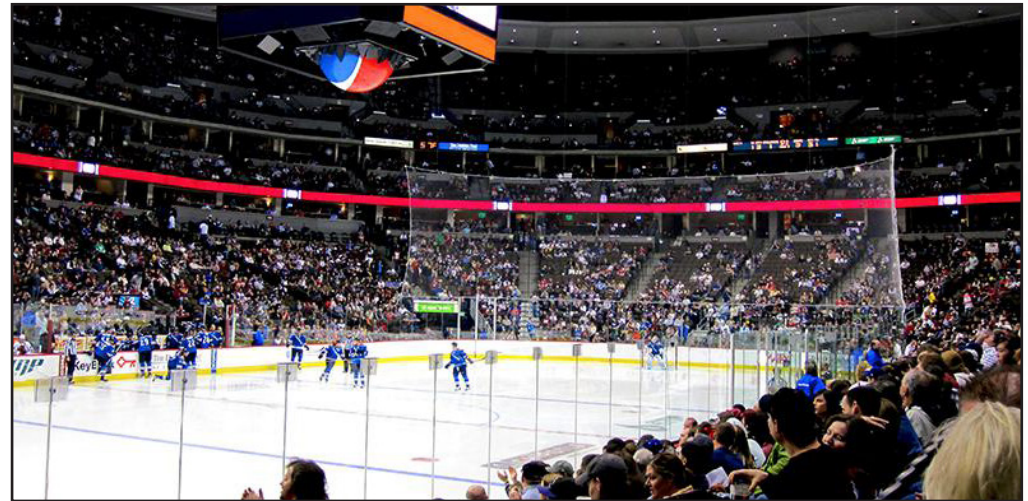


DENVER NUGGETS

The Nuggets compete in the National Basketball Association (NBA) as a member of the league's Western Conference Northwest Division. The Nuggets play their home games at Pepsi Center, which they share with the Colorado Avalanche of the National Hockey League (NHL) and the Colorado Mammoth of the National Lacrosse League (NLL). The team has had some periods of success, qualifying for the ABA Playoffs for all seasons from 1967 to the 1976 ABA playoffs where they lost in the finals.[11] The team joined the NBA in 1976 after the ABA–NBA merger and qualified for the NBA playoffs in nine consecutive seasons in the 1980s and ten consecutive seasons from 2004 to 2013.

COLORADO AVALANCHE

The Colorado Avalanche are a professional ice hockey team based in Denver. They compete in the National Hockey League (NHL) as a member of the Central Division of the Western Conference. The Avalanche are the only team in their division not based in the Central Time Zone; the team is situated in the Mountain Time Zone. Their home arena is Pepsi Center, which they share with the Denver Nuggets of the National Basketball Association. Their general manager is Joe Sakic.



COLORADO ROCKIES

The Colorado Rockies are an American professional baseball team based in Denver, Colorado. The Rockies compete in Major League Baseball (MLB) as a member club of the National League (NL) West division. The team plays its home baseball games at Coors Field, which is located in the Lower Downtown area of Denver. It is owned by the Monfort brothers and managed by Bud Black. The Rockies have qualified for the postseason five times, each time as a Wild Card winner. The Rockies then proceeded to sweep the Philadelphia Phillies and Arizona Diamondbacks in the NLDS and NLCS respectively and entered the 2007 World Series as winners of 21 of their last 22 games.



DENVER BRONCOS

The Denver Broncos are a professional American football franchise based in Denver. The Broncos compete in the National Football League (NFL) as a member club of the league's American Football Conference (AFC) West division. The team is headquartered in Dove Valley, Colorado. The Broncos are owned by the Pat Bowlen trust and currently play home games at Empower Field at Mile High. They have won eight AFC Championships and three Super Bowl championships. The Broncos have eight primary members enshrined in the Pro Football Hall of Fame: John Elway, Floyd Little, Shannon Sharpe, Gary Zimmerman, Terrell Davis, Champ Bailey and Steve Atwater, along with late club owner Pat Bowlen. The Broncos' on-the-field success is more than matched by a spectacular attendance record of sellout crowds (except for strike-replacement games) every year since 1970. Denver's annual sale of approximately 74,000 season tickets is backed by a waiting list in the tens of thousands.

Walgreens



DENVER, CO
±24 MILES

CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **655 E South Boulder Road, Louisville, CO 80027** ("Property"). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants' plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein. By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

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2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

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This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

A photograph of a Walgreens store exterior, featuring a stone and brick facade, large glass windows, and a red mailbox on the right. The image is overlaid with a semi-transparent blue filter.

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655 E SOUTH BOULDER RD | LOUISVILLE, CO

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