

Walgreens



ACTUAL PHOTO

 3500 CENTRAL AVE, LAKE STATION, IN 46405

Marcus & Millichap

INVESTMENT OVERVIEW

Marcus & Millichap is please to present for sale this Walgreens located at 3500 Central Avenue in Lake Station, Indiana. Situated a quarter mile from the Interstate 94 Exit to Ripley Street (83,700 Vehicles per day), this property is located at the signalized intersection of Ripley Street and Central Avenue. This store experiences strong store sales and has very high lease renewal probability at the end of the base term. This 14,490 Square Foot Walgreens Is situated on a large 1.78 Acre Parcel of Land and experience traffic counts exceeding 29,212 Vehicles Per Day.

This Walgreens is a four minute walk from Thomas Edison Senior High School (over 600 Students) and very close to Virgil Bailey Elementary and Carl J. Polk Elementary Schools. Lake Station, Indiana is located 30 miles from Chicago and has a very dense population of 100,568 people.

Walgreens (NYSE: WBA) is a publicly traded company with an S&P Credit Rating of BBB and is ranked #17 in the Fortune 500 (2019). Some financial highlights include 2018 Revenues of \$131.537 billion and 2018 Net Profits of \$5.024 billion. Walgreen Co. operates over 8,200 stores in all 50 states, the District of Columbia, Puerto Rico and Guam. The company also operates worksite health centers, home care facilities, and specialty and mail service pharmacies.

INVESTMENT HIGHLIGHTS

- Walgreens (S&P BBB) Corporate Guaranteed Absolute NNN Lease (No Landlord Responsibilities)
- Strong and Steady Sales Providing for High Renewal Probability at the end of the Lease
- Located a Quarter Mile from the Interstate 94 Exit to Ripley Street (83,700 Vehicles Per Day)
- Hard Corner Signalized Intersection with 29,212 Vehicles Per Day
- Dense Demographics: 100,568 People Located within a 5 Mile Radius of the Property
- Walking Distance (Four minutes) from Thomas Edison Senior High School – 600+ Students

THE OFFERING



PROPERTY DETAILS

Lot Size	76,230 SF (1.75 Acres)
Rentable Square Feet	14,490 SF
Price/SF	\$280.81
Year Built	2002

FINANCIAL OVERVIEW

List Price	\$4,068,964
Down Payment	100% / \$4,068,964
Cap Rate	7.25%
Type of Ownership	Fee Simple

PROPERTY RENT DATA

RENT INCREASES	MONTHLY RENT	ANNUAL RENT
05/01/2002 - 04/30/2022 (CURRENT)	\$24,583	\$295,000
05/01/2022 - 04/30/2027 (OPTION 1)	\$24,583	\$295,000
05/01/2027 - 04/30/2032 (OPTION 2)	\$24,583	\$295,000
05/01/2032 - 04/30/2037 (OPTION 3)	\$24,583	\$295,000
05/01/2037 - 04/30/2042 (OPTION 4)	\$24,583	\$295,000
05/01/2042 - 04/30/2047 (OPTION 5)	\$24,583	\$295,000
05/01/2047 - 04/30/2052 (OPTION 6)	\$24,583	\$295,000
05/01/2052 - 04/30/2057 (OPTION 7)	\$24,583	\$295,000
05/01/2057 - 04/30/2062 (OPTION 8)	\$24,583	\$295,000

Base Rent (\$20.36 /SF) **\$295,000**

Net Operating Income **\$295,000.00**

TOTAL ANNUAL RETURN CAP 7.25% \$295,000

LEASE ABSTRACT

Tenant Trade Name	Walgreens
Tenant	Corporate Store
Ownership	Public
Guarantor	Corporate Guarantee
Lease Type	NNN
Lease Term	20 Years
Lease Commencement Date	05/01/2002
Rent Commencement Date	05/01/2002
Expiration Date of Base Term	04/30/2022
Increases	Flat rent Additional Rent of 2% of Annual Sales and 0.5% of Food Sales
Options	8 Five-Year Options
Term Remaining on Lease	2+ Years
Property Type	Net Leased Drug Store
Landlord Responsibility	None
Tenant Responsibility	All
Right of First Refusal	Yes







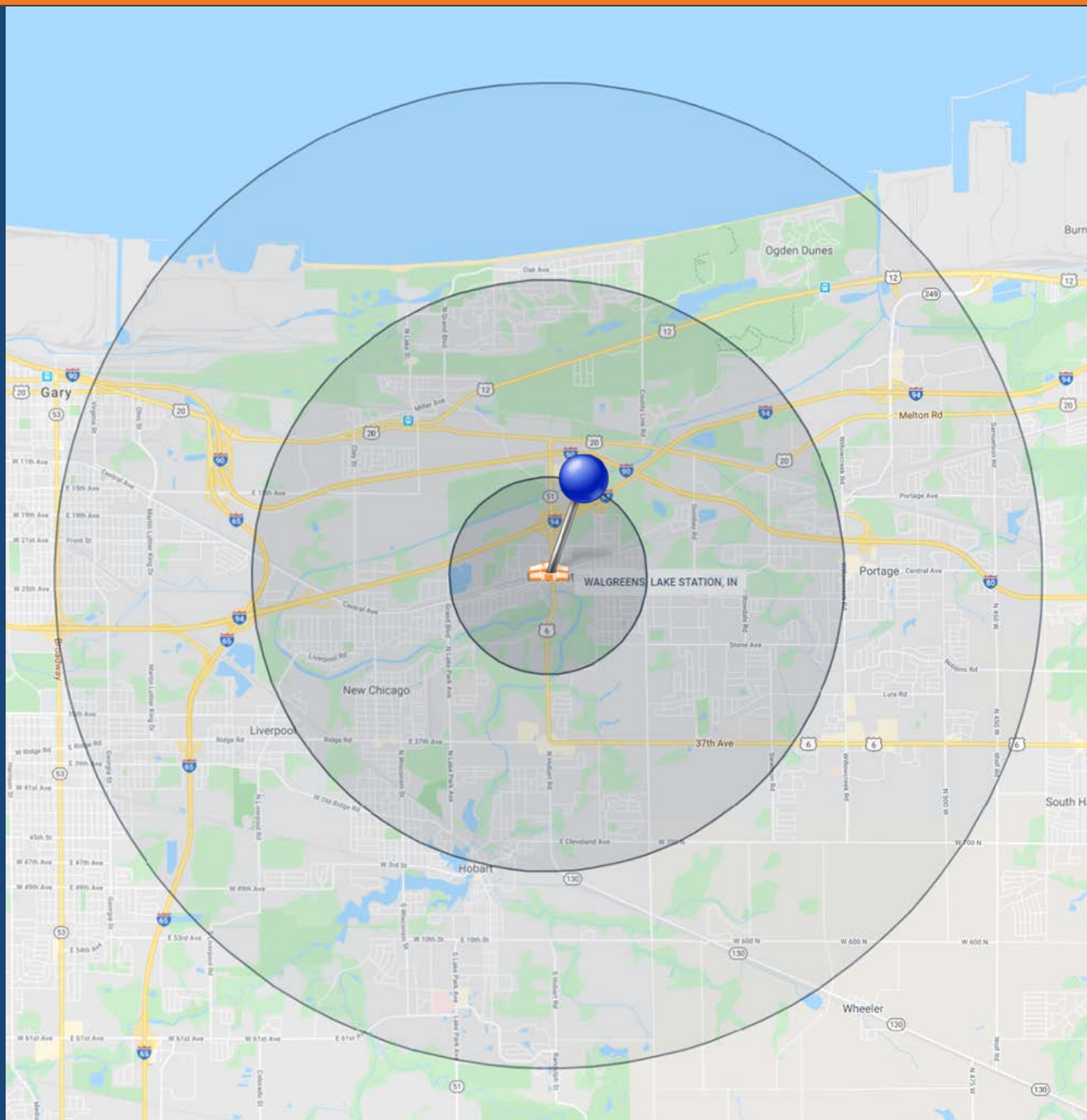
ABOUT WALGREENS

It would be impossible to tell the story of Walgreens drugstores without telling the story of Charles R Walgreen, Sr the man who started it all. Walgreen's drugstore was located in Barrett's Hotel at Cottage Grove and Bowen Avenue on Chicago's South Side. By every account, Walgreen succeeded brilliantly, simply by practicing what he preached and instituting what he felt were clearly needed innovations. New, bright lights were installed to create a cheerful, warm ambiance in the store. Each customer was personally greeted by Walgreen or his colleague, Arthur C Thorsen. Aisles were widened, creating a spacious, airy, welcoming feeling - a far cry from the cramped interiors of other drugstores. Generations of customers and employees hold fond memories of trips to the Walgreens soda fountain and prescriptions filled by the friendly local pharmacist. Most of all, they remember Walgreens, a welcome, dependable presence in countless neighborhoods across the country for more than 100 years. It is the Historical Foundation's aim to build an understanding of early Walgreen's store culture and to help educate the public about the role Walgreens played in the history of retail pharmacy. Walgreens is America's leading provider of the most convenient access to consumer goods and services, and pharmacy, health and wellness services. Walgreens stores provide patients with all of their prescription needs in one place without sacrificing the safety, service or convenience of their nearby neighborhood drugstore.

Name	Walgreens
Ownership	Public
Stock Symbol	WBA
Credit Rating	S&P: BBB
Sales Volume	\$131.54 Billion (2018)
Equity	\$26.01 Billion (2018)
Net Income	\$5.02 Billion (2018)
Assets	\$68.12 Billion (2018)
Board	NYSE
Tenant	Corporate Store
HQ	Deerfield, IL
Number of Locations	9,560+
Number of Employees	244,000 (2018)
Web Site	www.walgreens.com

FOUNDED IN 1901

	1 Miles	3 Miles	5 Miles
POPULATION			
2024 Projection	5,116	50,028	100,644
2019 Estimate	5,167	50,080	100,568
2010 Census	5,256	50,486	101,071
2000 Census	5,504	53,818	105,372
INCOME			
Average	\$55,706	\$59,177	\$62,610
Median	\$45,790	\$47,782	\$50,544
Per Capita	\$20,479	\$23,369	\$24,364
HOUSEHOLDS			
2024 Projection	1,871	19,823	39,274
2019 Estimate	1,875	19,705	39,012
2010 Census	1,908	19,734	38,997
2000 Census	1,917	20,528	39,945
HOUSING			
2019	\$95,953	\$116,211	\$131,647
EMPLOYMENT			
2019 Daytime Population	3,834	37,470	80,129
2019 Unemployment	7.21%	6.42%	6.20%
2019 Median Time Traveled	28	29	29
RACE & ETHNICITY			
White	80.17%	69.18%	64.91%
Native American	0.00%	0.02%	0.02%
African American	2.63%	18.93%	24.92%
Asian/Pacific Islander	0.43%	0.65%	0.75%



GEOGRAPHY: 5 MILE



POPULATION

In 2019, the population in your selected geography is 100,568. The population has changed by -4.56% since 2000. It is estimated that the population in your area will be 100,644.00 five years from now, which represents a change of 0.08% from the current year. The current population is 48.22% male and 51.78% female. The median age of the population in your area is 38.03, compare this to the US average which is 38.08. The population density in your area is 1,278.10 people per square mile.



HOUSEHOLDS

There are currently 39,012 households in your selected geography. The number of households has changed by -2.34% since 2000. It is estimated that the number of households in your area will be 39,274 five years from now, which represents a change of 0.67% from the current year. The average household size in your area is 2.56 persons.



INCOME

In 2019, the median household income for your selected geography is \$50,544, compare this to the US average which is currently \$60,811. The median household income for your area has changed by 25.20% since 2000. It is estimated that the median household income in your area will be \$57,941 five years from now, which represents a change of 14.63% from the current year.

The current year per capita income in your area is \$24,364, compare this to the US average, which is \$33,623. The current year average household income in your area is \$62,610, compare this to the US average which is \$87,636.



RACE AND ETHNICITY

The current year racial makeup of your selected area is as follows: 64.91% White, 24.92% Black, 0.02% Native American and 0.75% Asian/Pacific Islander. Compare these to US averages which are: 70.07% White, 12.87% Black, 0.19% Native American and 5.66% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 17.37% of the current year population in your selected area. Compare this to the US average of 18.17%.



HOUSING

The median housing value in your area was \$131,647 in 2019, compare this to the US average of \$212,058. In 2000, there were 27,632 owner occupied housing units in your area and there were 12,313 renter occupied housing units in your area. The median rent at the time was \$464.



EMPLOYMENT

In 2019, there are 27,134 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 46.88% of employees are employed in white-collar occupations in this geography, and 52.95% are employed in blue-collar occupations. In 2019, unemployment in this area is 6.20%. In 2000, the average time traveled to work was 29.00 minutes.

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