

Walgreens

DUDLEY | MA

HORVATH
& TREMBLAY



SINGLE TENANT NET LEASE OPPORTUNITY

LEAD AGENTS

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DISCLAIMER

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INVESTMENT HIGHLIGHTS

Horvath & Tremblay is pleased to present the exclusive opportunity to purchase the single-tenant Walgreens property located at 25-29 West Main Street (MA Route 12) in Dudley, Massachusetts (the "Property"). Built as a prototype, free-standing store with drive-thru in 2010, the Property consists of 11,186 square feet on a 1.75-acre parcel at the primary intersection in Dudley. The Property was recently converted from Rite Aid to Walgreens, and the lease, which has over 10 years of term remaining, was assigned to Walgreen Eastern Co.

- **LEASE TERM:** The Walgreens has 10+ years remaining on their base lease followed by six, 5-year renewal options.
- **SCHEDULED RENTAL INCREASES:** The Lease provides for attractive 10% rent increases at the start of both the first, third and fifth option periods
- **MINIMAL LANDLORD RESPONSIBILITIES:** The landlord is solely responsible for structural repairs/replacements, providing for an attractive investment for the passive real estate investor.
- **INVESTMENT GRADE CREDIT:** The lease is fully guaranteed by Walgreens corporate credit. Walgreens parent, Walgreens Boot Alliance (NYSE: WBA), is a publicly traded company and reported 2019 sales of \$136.9 billion, up 4.1% year-over-year. The company holds an investment grade credit rating of BBB (S&P) and Baa2 (Moody's)
- **LOCATION COMMITMENT:** Originally constructed as a build-to-suit for Rite Aid in 2010, Walgreens elected to convert the high-performing store to the Walgreen's brand in early 2020.
- **STRATEGIC RETAIL LOCATION:** The Property is located at the four-way signalized intersection of West Main Street, Schofield Avenue and Village Street on the most prominent retail site in Dudley. The Property is strategically located two miles from Nichols College, and two miles from both exits 1 and 2 on Interstate 395.
- **STEVENS LINEN MILL REDEVELOPMENT:** Walgreens is located across from the Historic Steven's Linen Mill, a vacant +/-285,000 square foot mill building situated on 5.94 acres of Land. The property has been approved for redevelopment and will be converted into a residential community with more than 160 apartments (Studio, 1-Bedroom and 2-Bedroom units) and modern amenities. Camden Partners intends to invest more than \$40 million to revitalize the property.
- **NICHOLS COLLEGE:** Located less than 2-miles from the Property, Nichols College is home to more than 1,300 students and 323 Faculty and Staff members. Nichols College is a private college that offers 12 concentrations in their business program and seven majors in its liberal arts program. and is most noted for its Sports Management degree program.
- **HIGH TRAFFIC COUNTS:** An average traffic count of 28,150 vehicles per day pass the property at the intersection of West Main Street and Schofield Avenue.
- **STRONG RURAL DEMOGRAPHICS:** More than 42,600 people live within a 5-mile radius of the Property with an average household income of \$89,550.





\$8,544,941
LIST PRICE



6.25%
CAP RATE



\$534,059
NET OPERATING INCOME

25-29 WEST MAIN STREET | DUDLEY, MA 01571

OWNERSHIP:	Fee Simple
BUILDING AREA:	11,186 SF
YEAR BUILT:	2010
LAND AREA:	1.75 Acres
GUARANTOR:	Corporate
STRUCTURE:	Landlord Responsible *
ROOF:	Tenant Responsible
RENT COMMENCEMENT DATE:	05/24/2011
LEASE EXPIRATION DATE:	06/30/2031
LEASE TERM REMAINING:	10 Years, 7 Months
RENEWAL OPTIONS:	6, 5-Year Options

ANNUALIZED OPERATING DATA

YEAR	START	END	TERM	RENT	% INC
1 - 10	06/01/2019	06/30/2021	CURRENT	\$485,508.00	
11 - 20	07/01/2021	06/30/2031		\$534,058.80	10.0%
21 - 25	07/01/2031	06/30/2036	OPTION 1	\$587,468.68	10.0%
26 - 30	07/01/2036	06/30/2041	OPTION 2	\$587,468.68	0.0%
31 - 35	07/01/2041	06/30/2046	OPTION 3	\$646,211.14	10.0%
36 - 40	07/01/2046	06/30/2051	OPTION 4	\$646,211.14	0.0%
41 - 45	07/01/2051	06/30/2056	OPTION 5	\$710,832.25	10.0%
46 - 50	07/01/2056	06/30/2061	OPTION 6	\$710,832.25	0.0%

Note: The NOI is calculated off of the July 1, 2021 Rent Increase.

* Landlord shall, at its sole cost and expense, keep and maintain the masonry walls, foundation, floor slab and structural members. Tenant shall be responsible, at Tenant's sole cost and expense for all other repairs and maintenance to the Premises, and shall maintain the premises in a neat and sanitary condition.

TENANT OVERVIEW



ABOUT THE TENANT

Walgreens

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The Company's heritage of trusted healthcare services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.

Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe. Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25 countries and employ more than 440,000 people. The Company is a global leader in pharmacy-led, health and wellbeing retail and, together with its equity method investments, has approximately 18,750 stores in 11 countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 400 distribution centers delivering to more than 240,000 pharmacies, doctors, health centers and hospitals each year in more than 20 countries. In addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products. The Company's size, scale, and expertise will help us to expand the supply of, and address the rising cost of, prescription drugs in the U.S. and worldwide.



OVERVIEW

The town of Dudley is located in south central Massachusetts, bordered by Southbridge on the west, Charlton on the north, Oxford on the northeast, Webster on the east, and Woodstock and Thompson, Connecticut, on the south. Dudley is about 22 miles south of Worcester and 59 miles southwest of Boston.

Leading the economic stability in Dudley is a large employment workforce, occupational strengths, education, and an excellent business climate. Having one of the lowest tax rates in the Northeast, The Town of Dudley offers businesses the ability to become successful and a talented pool of workers to help you grow.

The Town of Dudley has both a historical and contemporary New England Charm. It has long been considered one of the most desirable towns in Massachusetts. Low property Taxes, High Educational Standards, Convenient Shopping and numerous Recreational Opportunities all make Dudley the perfect place for a business to be located and for its employees to live. The area has outstanding schools both at primary and secondary levels; and Nichols College offers an excellent MBA program that is ranked in the Top 10 in the Nation. A vibrant atmosphere, safe streets, green lush and rolling hills... all make the town of Dudley a Special Place for residents, businesses and employees.

	3 MILES	5 MILES	10 MILES
POPULATION			
2020 Estimate	25,365	42,608	116,368
2025 Projection	25,992	43,198	117,310
2010 Census	24,801	41,865	113,853
BUSINESS			
2020 Est. Total Businesses	928	1,310	4,404
2020 Est. Total Employees	12,839	16,392	45,789
HOUSEHOLDS			
2020 Estimate	10,350	16,919	46,347
2025 Projection	10,796	17,487	47,648
2010 Census	9,961	16,303	44,311
INCOME			
Average Household Income	\$81,819	\$89,550	\$94,932
Median Household Income	\$68,921	\$74,881	\$79,773



116,000+

PEOPLE WITHIN 10 MILES



28,000+

VEHICLES PER DAY

INT OF W MAIN ST & SCHOFIELD AVE



\$94,500+

AVERAGE HOUSEHOLD INCOME













