

OFFERING MEMORANDUM

Walgreens

Walgreens - Glens Falls, New York

202 Broad Street, Glens Falls, N.Y. 12801

\$7,450,000.00



Network One Realty Advisors is please to offer this, fee simple interest - free standing Walgreens, located on a strategic signalized intersection in the Town of Glens Falls, New York. With strong visibility and robust sales, combined with a NNN corporate guarantee, and with 13+ years remain, this retail asset is an excellent investment opportunity.

- ❖ This 16,596 sq.ft. retail drugstore outlet, (with 14,820 rentable space) features a drive thru convenience, ample parking and is situate on approx. 0.4 acres.
- ❖ Note* the subject property is part of a undivided interest in 62% of common areas along with exclusive dedicated parking areas, which stay with the property as a fee title ownership.
- ❖ Backed with strong BBB and Baa2 rating from Standard & Poor's, and Moody's, this Glen Falls location experiences strong traffic counts, a strategically location, (within minutes to interstate 87 with access points both North and South), and enjoys enhanced consume traffic by virtue of the proximity to the Hannaford Supermarket Shopping Center, which is directly across the street.
- ❖ With its strong dominant position in the "food and grocery" store sector, and with limited competition from a single competing CVS store, (operating under inferior street visibility and access, combined with older construction), this Glens Falls Walgreens outlet gives the investor; long term NNN lease security, (potential of 50 renewable years post 2034) and minimal landlord oversight with no responsibility for roof & structure.

EXCLUSIVE REPRESENTATION:

Michael Battaglia CCIM
Network One Realty
716-310-9871 direct
716-874-3530 office-fax
mbattag670@aol.com



DISCLAIMERS

- ✓ This Offering Memorandum is intended for the use of prospective investors (ONLY) in determining whether or not to pursue this investment acquisition.
- ✓ Prospective investors and/or their advisors agree not to share this information with any other individuals or organizations that are not part of the analysis of this investment
- ✓ Network One Realty has been retained as the exclusive advisors for this investment.
- ✓ All inquiries should be directed to Michael Battaglia CCIM.
- ✓ By accepting this Memorandum, the recipient agrees that it will cause its directors, officers, employees and representatives to use the Memorandum and all of the information contained therein, to evaluate this investment in Glens Falls, New York.
- ✓ The Memorandum contains confidential material and receipt of this Memorandum constitutes an acknowledgment that you will maintain the information contained herein in confidence.
- ✓ The information contained herein has been provided by the Owners of the Organization, its affiliates or other sources deemed reliable,
- ✓ Network One Realty has not independently verified any of the information, including financial estimates, projections and/or real estate information.
- ✓ This Memorandum includes information about the Offering that reflects various assumptions which may or may not prove to be correct. Further, projections and estimates may or may not be indicative of future performance.
- ✓ In furnishing this Memorandum, Network One Realty, does not undertake any obligation to provide additional information or to correct or update any of the information set forth in the Memorandum.
- ✓ Network One Realty or its affiliates, makes any representation or warranty, expressed or implied, as to the accuracy or completeness of the information contained herein.
- ✓ Nothing contained herein is, or shall be relied upon as, a promise or representation, whether as to the past or the future.
- ✓ The recipient should rely solely on the representations and warranties made to it by the Organization or its affiliates in any executed definitive agreement.
- ✓ Under no circumstances should the Owner of the Organization, its affiliates be contacted directly.
- ✓ The information contained in this marketing brochure has been obtained from reliable sources, we believe to be true. Network One Realty makes no guarantee or warranty as to the accuracy or completeness of the information. Purchasers should conduct a thorough and careful investigation of this net leased property to determine satisfaction and suitability.
- ✓ It is the purchaser's responsibility to confirm the accuracy of all material information prior to completing any purchase of the subject property.
- ✓ By accepting the marketing memorandum, prospective purchasers agree to hold harmless Network One Realty from claim, cost or liability arising from due diligence or purchase of the subject property.
- ✓

TRANSACTION OVERVIEW:

Purchase Price:	\$7,450,000
Cap Rate:	5.9%
Annual Rent:	\$435,000
Tenant:	Walgreens
Lease Type:	Absolute NNN
Landlord Responsibilities:	None
Lease Term Remaining:	13+ years
Rent Commencement:	6-1- 2009
Lease Term:	25 years (2034)
Rent Increases:	None
Options to Renew:	10- (five-year)



Highlights:

Long term investment security – 13+ years remaining on corp. guaranteed lease. Dominance in marketplace.

NNN absolute - no landlord responsibilities

Signalized intersection with drive thru, close to Interstate 87 with north and south access.

Retail and traffic enhancement from Hannaford super market retail center across the street

Improving Demographics: Population & Income growth, lower unemployment

Specifications:

Location: 202 Broad St.
Glens Falls, New York 12801

Rentable space: 14,820

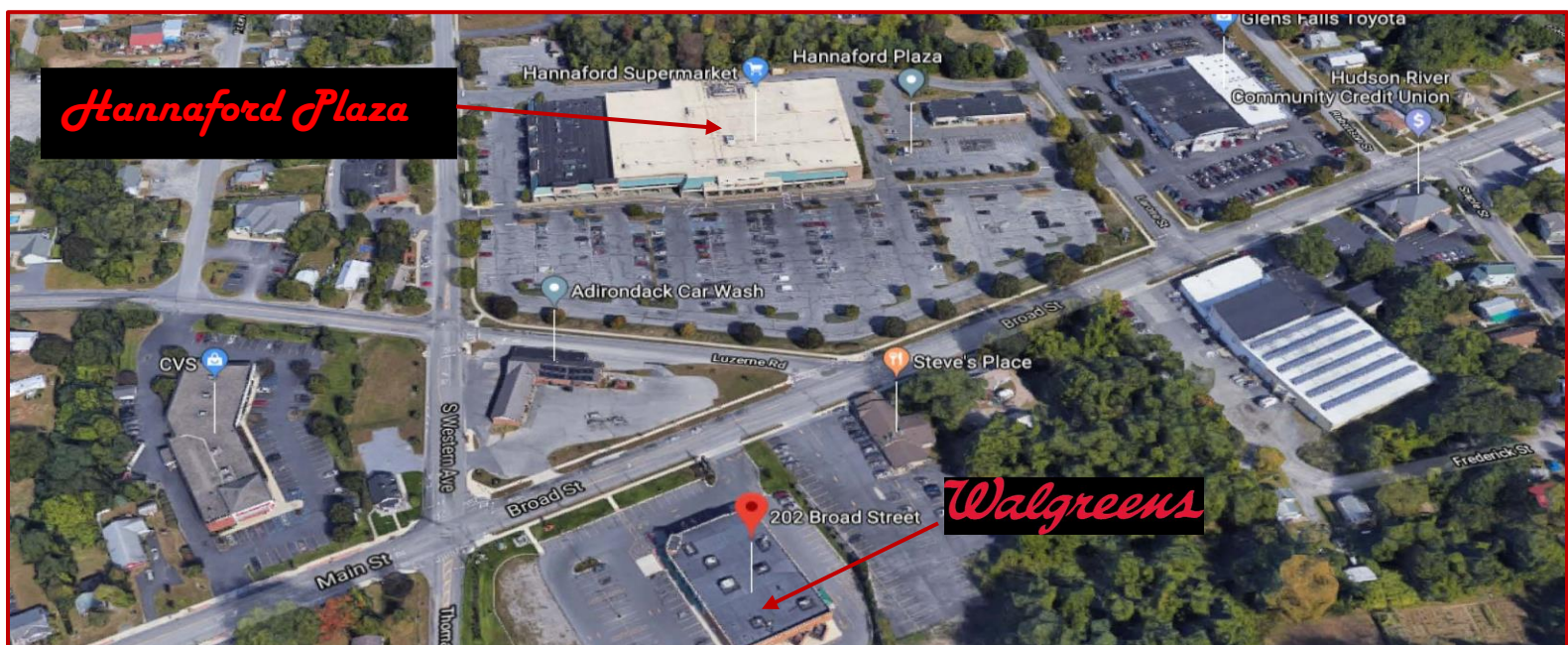
Year built: 2009

Ownership: fee simple

Base rent: \$29.35/sq.ft.

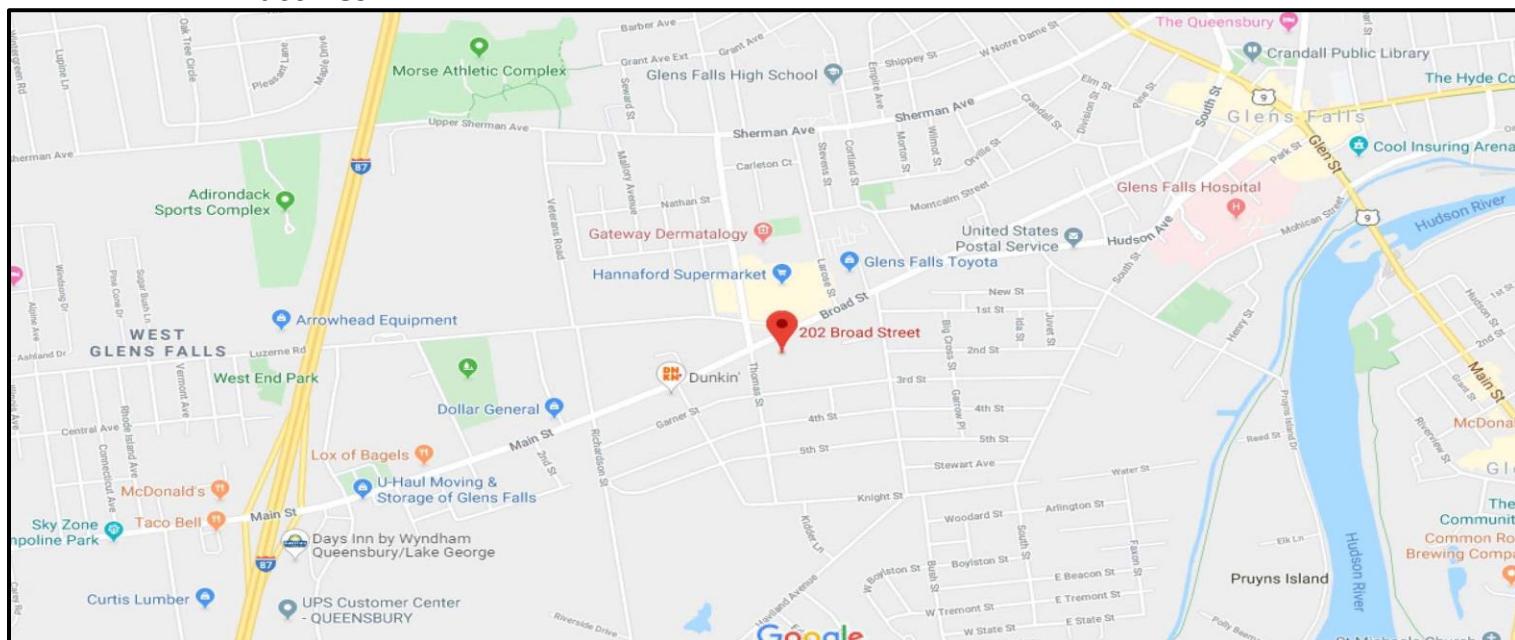
Condominium parameters:

62% undivided interest in all common areas, along with exclusively designated common areas for parking which stay with the property.



Tenancy:

- Walgreens, operates as one of the nation's largest drugstore chains, and is part of the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc.
- Traded on the (NASDAQ -symbolWBA)
- Walgreens operates over 9,560 drugstores and has a presence in all 50 states, as well as the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.
- With its brand as a foundation, Walgreens is building its business in four major areas: pharmacy, front end, health care services, and consumer services.
- These areas are being enabled through new partnerships, new store layouts and product lines, along with new approaches to pricing and promotion.
- Tenant Trade Name; Walgreen's, Ownership; Public Tenant Corporate Store Sales Volume \$72.2 Billion, Net Worth \$19.45 Billion, Lease Guarantor - Corporate Guarantee Credit Rating BBB Rating Agency Standard & Poors. Stock Symbol WAG
- No. of Locations 8,000+ Headquartered Deerfield, IL Web Site www.walgreens.com
- Walgreen Co., together with its subsidiaries, operates and provides consumer goods and services, pharmacy, and health and wellness services through drugstores, as well as through mail, and by telephone and online. In addition, the company manages Healthcare Clinics; and primary care, health and wellness, occupational health, and fitness centers to treat patients, give prescriptions, and administer immunizations and other vaccines.





Walgreens Boots Alliance Reports Fiscal Year 2019 Results in Line with Guidance

*October 28, 2019

Company Making Progress on Strategic Priorities to Deliver Long-Term Growth

Fiscal 2019 Walgreens Boots Alliance highlights, year-over-year

- Sales increased 4.1 percent to \$136.9 billion, up 5.8 percent on a constant currency basis
- Operating income decreased 20.5 percent to \$5.0 billion; Adjusted operating income decreased 9.6 percent to \$6.9 billion, down 8.6 percent on a constant currency basis
- EPS decreased 14.6 percent to \$4.31; Adjusted EPS decreased 0.5 percent to \$5.99, up 0.5 percent on a constant currency basis

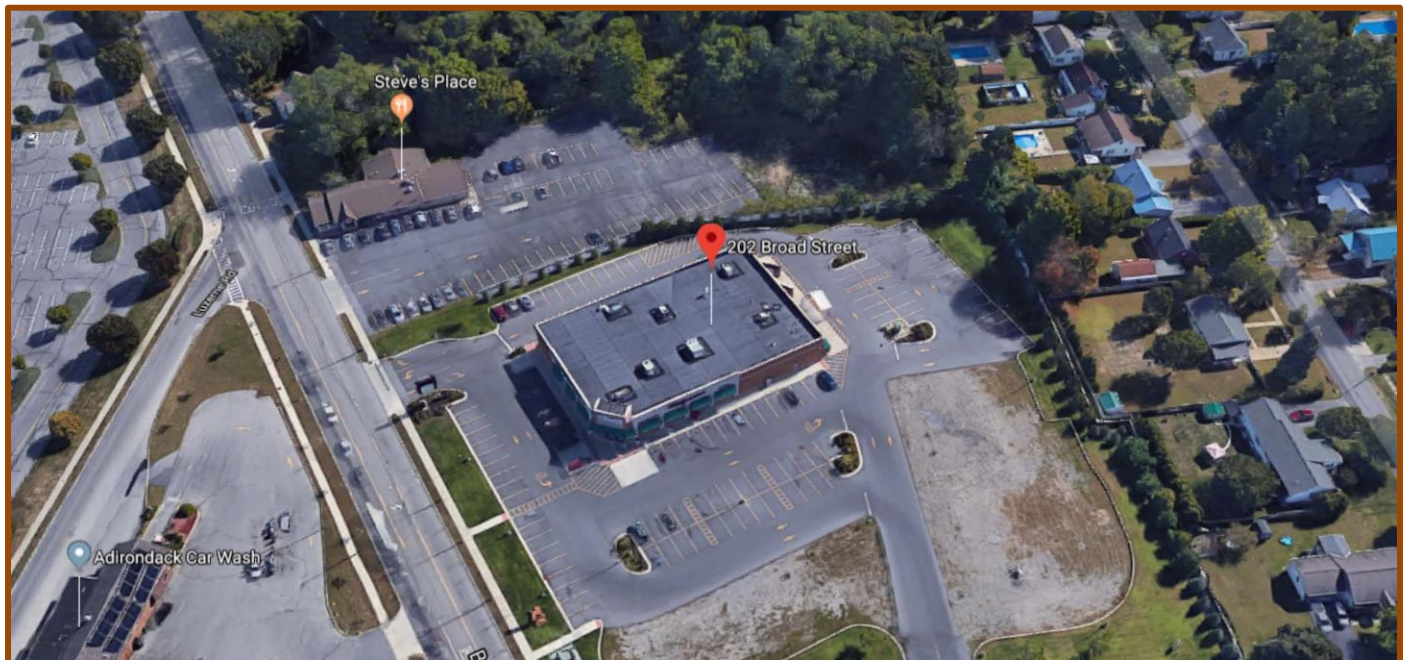
Fourth quarter highlights, year-over-year

- Sales increased 1.5 percent to \$34.0 billion, up 2.6 percent on a constant currency basis
- Operating income decreased 37.0 percent to \$878 million; Adjusted operating income decreased 11.9 percent to \$1.6 billion, down 11.1 percent on a constant currency basis
- EPS decreased 51.4 percent to \$0.75; Adjusted EPS decreased 3.7 percent to \$1.43, down 2.9 percent on a constant currency basis

Transformational Cost Management Program

- Company raised its annual cost savings target from in excess of \$1.5 billion to in excess of \$1.8 billion by fiscal 2022

Fiscal 2020 guidance/www.walgreens.com





Largest 15 U.S. Pharmacies, by Total Prescription Revenues, 2018

Company	Stock Ticker	Estimated 2018 Prescription Revenues (billions)	Share of 2018 Prescription Revenues	Change in Revenues vs. 2017	Primary Dispensing Format
CVS Health Corporation	CVS				
• Retail Pharmacy		\$64.2	15.1%	+7.8%	Chain drugstore/LTC pharmacy
• Pharmacy Services ¹		\$38.6	9.1%	-0.1%	Mail / Specialty pharmacy
Walgreens Boots Alliance ²	WBA	\$74.4	17.5%	+15.6%	Chain drugstore / Mail / Specialty pharmacy
Cigna / Express Scripts, Inc. ³	CI	\$46.5	11.0%	-1.8%	Mail / Specialty pharmacy
UnitedHealth Group (OptumRx)	UNH	\$25.9	6.1%	+23.4%	Mail / Specialty pharmacy
Walmart Stores, Inc. ⁴	WMT	\$20.9	4.9%	+2.1%	Mass merchant with pharmacy
The Kroger Company ⁵	KR	\$13.4	3.2%	+4.7%	Supermarket with pharmacy
Rite Aid Corporation ⁶	RAD	\$11.1	2.6%	-29.4%	Chain drugstore
Humana Pharmacy Solutions	HUM	\$6.3	1.5%	+0.6%	Mail / Specialty pharmacy
Albertsons Companies ⁶	Private	\$5.0	1.2%	-0.3%	Supermarket with pharmacy
Diplomat Pharmacy ⁷	DPLO	\$4.8	1.1%	+6.7%	Mail / Specialty pharmacy
Costco Wholesale Corporation	COST	\$2.6	0.6%	+1.7%	Mass merchant with pharmacy
PharMerica	Private ⁸	\$2.4	0.6%	+4.3%	Long-term care pharmacy
Publix	Private	\$2.2	0.5%	+4.7%	Supermarket with pharmacy
Ahold Delhaize	ADRNY	\$2.1	0.5%	-1.2%	Supermarket with pharmacy
H-E-B	Private	\$1.8	0.4%	+4.6%	Supermarket with pharmacy
Subtotal Top 15		\$322.3	76.1%		
Total Pharmacy Industry Prescription Revenues		\$423.7	100.0%		

Source: Drug Channels Institute analysis and estimates

LTC = long-term care. Totals may not sum due to rounding. Includes revenues from all pharmacy dispensing formats. Excludes estimated infusion services covered by medical benefit. Revenues reflect calendar year 2018, which may not correspond to fiscal year reporting.

1. Includes Aetna dispensing volume, pro forma revenues from 2018 acquisitions, and revenues from CVS pharmacies inside Target stores. Excludes estimated revenues from 90-day Maintenance Choice claims filled in CVS retail pharmacies.

2. Includes Retail Pharmacy USA segment (which includes Alliance Rx Walgreens Prime) and pro forma full year revenues from 2018 acquisitions.

3. In 2018, Cigna acquired Express Scripts. Includes pro forma dispensing revenues and growth rates of both companies.

4. Includes Walmart and Sam's Club stores.

5. Includes retail pharmacies and Kroger Specialty Pharmacy (which Kroger reports separately in its financial reports).

6. Includes estimated revenues from EnvisionMail and EnvisionSpecialty, the mail and specialty pharmacies of EnvisionRx. These were formerly known as Orchard Pharmaceutical Services.

7. Includes specialty pharmacy dispensing revenues plus estimated mail pharmacy dispensing revenues of CastiaRx.

8. In 2017, PharMerica was acquired by investment firm KKR and Walgreens Boots Alliance. Its common stock stopped trading in December 2017.

This table appears as Exhibit 25 in *The 2019 Economic Report on U.S. Pharmacies and Pharmacy Benefit Managers*, Drug Channels Institute. Available at <http://drugch.nl/pharmacy>



Market Place & Investment Overview

Glens Falls, New York Population 2019

Glens Falls, New York's estimated population is 14,348 according to the most recent United States census estimates. Glens Falls, New York is the 62nd [largest city in New York](#) based on official [2017 estimates](#) from the US Census Bureau.

The population density is 3726.24 people/mi² (1438.70 people/km²).

The overall median age is 38.2 years, 37.4 years for males, and 40 years for females. For every 100 females there are 91.4 males.

Based on data from the [American Community Survey](#), in 2017 there were households in the city, with an average size of 2.23 people per household.

In 2017, Glens Falls, NY had a population of 127k people with a median age of 44.8 and a median household income of \$56,608.

Between 2016 and 2017 the population of Glens Falls, NY declined from 127,376 to 126,884, a -0.386% decrease and its median household income grew from \$54,214 to \$56,608, a 4.42% increase.

The population of Glens Falls, NY is 93.4% White Alone, 2.48% Hispanic or Latino, and 1.99% Black or African American Alone. N/A% of the people in Glens Falls, NY speak a non-English language, and 8.8% are U.S. citizens. The largest universities in Glens Falls, NY are Adirondack Community College (665 degrees awarded in 2017), Word of Life Bible Institute (395 degrees), and Washington Saratoga Warren Hamilton Essex BOCES-Practical Nursing Program (28 degrees).

The median property value in Glens Falls, NY is \$166,800, and the home-ownership rate is 72.3%. Most people in Glens Falls, NY commute by Drive Alone, and the average commute time is 23.5 minutes. The average car ownership in Glens Falls, NY is 2 cars per household. Glens Falls, NY borders Albany-Schenectady-Troy, NY, Bennington, VT, and Rutland, VT.

The economy of Glens Falls, NY employs 61.3k people. The largest industries in Glens Falls, NY are Health Care & Social Assistance (9,310 people), Retail Trade (8,454 people), and Manufacturing (6,749 people), and the highest paying industries are Utilities (\$56,000), Management of Companies & Enterprises (\$54,167), and Public Administration (\$51,875).

Males in Glens Falls, NY have an average income that is 1.3 times higher than the average income of females, which is \$59,246. The income inequality in Glens Falls, NY (measured using the Gini index) is 0.499, which is higher than the national average.

Households in Glens Falls, NY have a median annual income of \$56,608, which is less than the median annual income of \$61,937 across the entire United States. This is in comparison to a median income of \$54,214 in 2016, which represents a 4.42% annual growth.

Data provided by the Census Bureau ACS 5-year Estimate.



Offering Details:

- ✚ No unauthorized site visits: all showing must be scheduled
- ✚ Property is being offered for sale DEBT FREE.
- ✚ No private financing available through current owner
- ✚ Offers presented in a the form of a non-binding Letter of Intent,(spelling out significant terms and conditions, pricing, due diligence and closing time frame, earnest money deposit, description of debt/equity structure and qualifications to close.
- ✚ Seller requires 1031 replacement property to complete transaction.



Michael F. Battaglia CCIM
Director of Investment Sales
Licensed Real Estate Broker
Office: 716-874-3530 (fax)
Direct: 716-310-9871
mbattag670@aol.com

*"Bringing Landlords and Investors
Together"*

STATEMENT OF RECEIPTS
WALGREEN COMPANY
200 WILMOT ROAD
DEERFIELD ILLINOIS - 60015

TO: NIAGARA VILLAS INC
DBA FIRST PRISE PROPERTIES
ATTN TIMOTHY J PRISE
PO BOX 186
CLARENCE NY 14031

WALGREENS STORE #: **12733**
202 BROAD ST
GLENS FALLS NY 12801 - 4146

AFTER ALLOWANCE FOR STATE, CITY TAXES

PERIOD COVERED
07/01/17 TO 06/30/18

<u>MONTH</u>	<u>MERCHANDISE</u>	<u>CONV FD</u>	<u>RX</u>
JULY 2017	\$ 120,268.31	\$ 18,197.14	-\$ 6,899.80
AUGUST 2017	\$ 120,582.59	\$ 19,585.13	-\$ 5,926.19
SEPTEMBER 2017	\$ 108,574.53	\$ 18,764.89	-\$ 1,179.32
OCTOBER 2017	\$ 108,661.33	\$ 26,857.79	\$ 9,194.30
NOVEMBER 2017	\$ 116,259.39	\$ 20,688.69	\$ 11,696.44
DECEMBER 2017	\$ 174,869.14	\$ 38,242.05	-\$ 11,513.82
JANUARY 2018	\$ 101,917.85	\$ 18,310.90	\$ 10,609.76
FEBRUARY 2018	\$ 97,645.45	\$ 21,755.80	-\$ 7,846.57
MARCH 2018	\$ 118,406.46	\$ 17,273.64	-\$ 558.95
APRIL 2018	\$ 96,458.60	\$ 15,361.64	\$ 35,594.43
MAY 2018	\$ 107,536.28	\$ 18,980.86	-\$ 13,616.44
JUNE 2018	\$ 119,647.93	\$ 18,308.28	\$ 9,607.27
	<u>\$ 1,390,827.86</u>	<u>\$ 252,326.81</u>	<u>\$ 29,161.11</u>

PERCENTAGE RENT :

\$ 1,390,827.86	@	2.00	%	\$ 27,816.56
\$ 29,161.11	@	0.50	%	\$ 145.81
\$ 252,326.81	@	0.50	%	\$ 1,261.63
				<u>\$ 29,224.00</u>

LESS :

FIXED RENT PYMT DEDUCTED	\$ 435,000.00
INSURANCE PYMT DEDUCTED	\$ 0.00
RE TAXES PYMT DEDUCTED	\$ 0.00
RENT TAX PYMT DEDUCTED	\$ 0.00

NET PAYMENT: \$ 0.00

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WALGREEN COMPANY
200 WILMOT ROAD
DEERFIELD ILLINOIS - 60015

TO: NIAGARA VILLAS INC
DBA FIRST PRISE PROPERTIES
ATTN TIMOTHY J PRISE
PO BOX 186
CLARENCE NY 14031-0186

WALGREENS STORE #: **12733**
202 BROAD ST
GLENS FALLS NY 12801 - 4146

AFTER ALLOWANCE FOR STATE, CITY TAXES

PERIOD COVERED
07/01/18 TO 06/30/19

<u>MONTH</u>	<u>MERCHANDISE</u>	<u>CONV FD</u>	<u>RX</u>
JULY 2018	\$ 117,459.26	\$ 17,860.41	\$ 1,096.01
AUGUST 2018	\$ 116,614.87	\$ 20,267.68	-\$ 3,947.19
SEPTEMBER 2018	\$ 110,277.22	\$ 19,450.13	\$ 19,148.84
OCTOBER 2018	\$ 109,798.84	\$ 27,807.43	-\$ 8,960.26
NOVEMBER 2018	\$ 106,485.96	\$ 21,560.21	-\$ 755.08
DECEMBER 2018	\$ 177,963.79	\$ 38,712.98	\$ 129.09
JANUARY 2019	\$ 102,306.85	\$ 19,509.38	\$ 15,089.00
FEBRUARY 2019	\$ 99,004.38	\$ 23,687.84	\$ 37,911.57
MARCH 2019	\$ 108,674.52	\$ 17,411.75	-\$ 7,767.82
APRIL 2019	\$ 116,154.93	\$ 18,720.01	-\$ 5,995.89
MAY 2019	\$ 108,800.48	\$ 19,653.83	-\$ 521.78
JUNE 2019	\$ 117,824.33	\$ 19,549.94	\$ 38,617.39
	\$ 1,391,365.43	\$ 264,191.59	\$ 84,043.88

PERCENTAGE RENT :

\$ 1,391,365.43	@	2.00	%	\$ 27,827.31
\$ 84,043.88	@	0.50	%	\$ 420.22
\$ 264,191.59	@	0.50	%	\$ 1,320.96
				\$ 29,568.49

LESS :

FIXED RENT PYMT DEDUCTED	\$ 435,000.00
INSURANCE PYMT DEDUCTED	\$ 0.00
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JULY 2018	\$ 117,459.26	\$ 17,860.41	\$ 1,096.01
AUGUST 2018	\$ 116,614.87	\$ 20,267.68	-\$ 3,947.19
SEPTEMBER 2018	\$ 110,277.22	\$ 19,450.13	\$ 19,148.84
OCTOBER 2018	\$ 109,798.84	\$ 27,807.43	-\$ 8,960.26
NOVEMBER 2018	\$ 106,485.96	\$ 21,560.21	-\$ 755.08
DECEMBER 2018	\$ 177,963.79	\$ 38,712.98	\$ 129.09
JANUARY 2019	\$ 102,306.85	\$ 19,509.38	\$ 15,089.00
FEBRUARY 2019	\$ 99,004.38	\$ 23,687.84	\$ 37,911.57
MARCH 2019	\$ 108,674.52	\$ 17,411.75	-\$ 7,767.82
APRIL 2019	\$ 116,154.93	\$ 18,720.01	-\$ 5,995.89
MAY 2019	\$ 108,800.48	\$ 19,653.83	-\$ 521.78
JUNE 2019	\$ 117,824.33	\$ 19,549.94	\$ 38,617.39
	\$ 1,391,365.43	\$ 264,191.59	\$ 84,043.88

PERCENTAGE RENT :

\$ 1,391,365.43	@	2.00	%	\$ 27,827.31
\$ 84,043.88	@	0.50	%	\$ 420.22
\$ 264,191.59	@	0.50	%	\$ 1,320.96
				\$ 29,568.49

LESS :

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07/01/19 TO 06/30/20

<u>MONTH</u>	<u>MERCHANDISE</u>	<u>CONV FD</u>	<u>RX</u>
JULY 2019	\$ 114,076.40	\$ 19,525.97	-\$ 26,605.38
AUGUST 2019	\$ 114,943.52	\$ 19,120.30	\$ 18,590.59
SEPTEMBER 2019	\$ 109,423.13	\$ 18,348.74	\$ 24,420.38
OCTOBER 2019	\$ 110,735.57	\$ 26,071.21	-\$ 19,545.89
NOVEMBER 2019	\$ 104,845.65	\$ 21,001.37	\$ 4,014.06
DECEMBER 2019	\$ 164,944.46	\$ 36,080.53	\$ 9,029.13
JANUARY 2020	\$ 111,162.63	\$ 17,760.27	-\$ 7,059.24
FEBRUARY 2020	\$ 111,894.73	\$ 21,689.44	\$ 11,074.70
MARCH 2020	\$ 137,477.10	\$ 18,308.03	-\$ 4,306.29
APRIL 2020	\$ 107,163.40	\$ 16,764.87	\$ 4,962.67
MAY 2020	\$ 127,846.53	\$ 18,507.36	\$ 1,953.11
JUNE 2020	\$ 124,592.21	\$ 17,751.45	\$ 8,418.50
	\$ 1,439,105.33	\$ 250,929.54	\$ 24,946.34

PERCENTAGE RENT :

\$ 1,439,105.33	@	2.00	%	\$ 28,782.11
\$ 24,946.34	@	0.50	%	\$ 124.73
\$ 250,929.54	@	0.50	%	\$ 1,254.65
				\$ 30,161.49

LESS :

FIXED RENT PYMT DEDUCTED	\$ 435,000.00
INSURANCE PYMT DEDUCTED	\$ 0.00
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