

WALGREENS

8959 EAST DRY CREEK ROAD CENTENNIAL, COLORADO 80112 (DENVER MSA)

OFFERING MEMORANDUM

Represented By:

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INVESTMENT OVERVIEW

Flat

WALGREENS

CENTENNIAL, COLORADO (DENVER MSA)

WALGREENS

LOCATION 8959 East Dry Creek Road Centennial, Colorado 80112

MAJOR CROSS STREETS NEC of E Dry Creek Rd & S Yosemite St

TENANT WALGREEN CO.

PURCHASE PRICE \$4,922,000

CAP RATE 5.75%

ANNUAL RENT \$283,000

GROSS LEASABLE AREA ±13.813 SF

LOT SIZE ±1.63 Acres

RENTAL ESCALATIONS

LEASE TYPE Absolute NNN

OWNERSHIP (Building & Land) Fee Simple

YEAR BUILT 2004*

LEASE EXPIRATION January 31, 2082**

OPTIONS 50 Years of Renewal Options

PARKING LOT Asphalt

R00F Rubber Membrane

POINTS OF INTEREST

RETAIL | ENTERTAINMENT: Nearby retailers include Walmart Supercenter, Target, Sam's Club, Hobby Lobby, Kohl's, Home Depot, Lowe's Home Improvement, IKEA, Furniture Row, Cost Plus World Market, Bed Bath & Beyond, HomeGoods, Ross Dress for Less, Petco, Total Wine & More, Cavender's, REI, Office Depot, Michaels, Joann Fabrics, Big 5 Sporting Goods, Guitar Center, Restaurant Depot, Dollar Tree, Safeway, Sprouts Farmers Market, King Soopers, Topgolf, Regal Cinebarre, etc.

HIGHER EDUCATION: 9 miles from Arapahoe Community College Littleton (a public community college offering various degrees & programs with 11,554 students),10 miles from University of Denver (a private research university offering over 300 academic programs with total of 12,913 students)

HEALTHCARE: 4.5 miles from Sky Ridge Medical Center (a general medical & surgical hospital with 284 beds); 6 miles from Littleton Adventist Hospital (a general medical & surgical hospital with 231 beds)

INVESTMENT HIGHLIGHTS

LEASE: 11+ Years Remaining on Corporately Guaranteed Absolute NNN Lease!

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. (as of August 31, 2020)

STRONG SALE PERFORMANCE: Successfully Open & Operating for 15 Years with STRONG/UPWARD TRENDING REPORTED SALES PERFORMANCE! **Ask Broker for Details**

LARGE PARCEL | TRAFFIC COUNTS: Situated on a Large ±1.63-Acre Lot - Well Positioned at Signalized Intersection (Hard Corner) where <u>Traffic Counts Exceed</u> 38,000 CPD!

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

AFFLUENT 2020 DEMOGRAPHICS: Total Population (5-MI): 232,790 | <u>Average Household Income (3-MI): \$169,136</u>



^{*} According to Arapahoe County Assessor

^{**} The lease term is for 75 years; however, the Tenant has the annual right to terminate the lease beginning January 31, 2032.

FINANCIAL ANALYSIS

SUMMARY

TENANT Walgreen Co.

PURCHASE PRICE \$4,922,000

CAP RATE 5.75%

GROSS LEASEABLE AREA 13,813 SF

YEAR BUILT 2004 LOT SIZE +1.63 Acres EXPENSE REIMBURSEMENT

FINANCING

This is an **Absolute NNN lease**. Tenant is responsible for all expenses.

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

RENT ROLL

TENANT INF	0	LEASE TERMS	1	RENT SUMI	MARY
TENANT NAME	SQ FT	TERM	INCREASE	RENT	ANNUAL INVESTOR RETURN
Walgreen Co.	13,813	Years 1-25: 01/02/07 to 01/31/82*	Current Flat During Initial Term	\$283,000	5.75%

^{*} The lease term is for 75 years; however, the Tenant has the annual right to terminate the lease beginning January 31, 2032.

TENANT OVERVIEW

CENTENNIAL, COLORADO (DENVER 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.

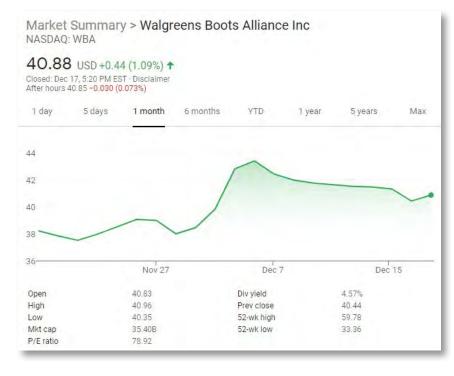
As of August 31, 2020, this segment operated 9,021 retail stores under the Walgreens and Duane Reade brands in the United States; and six specialty pharmacies.

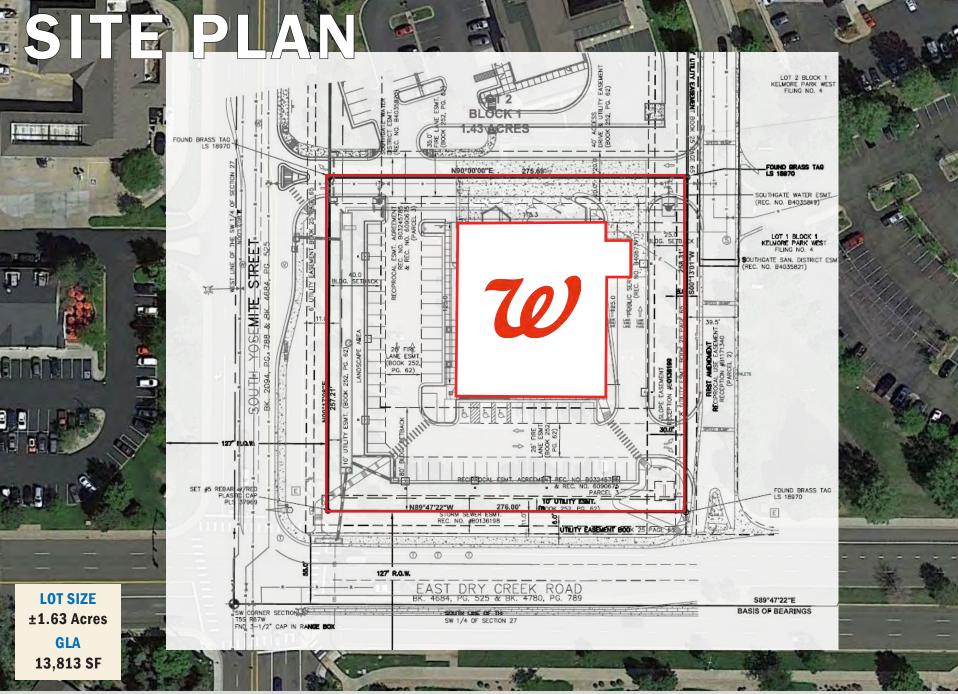
The Retail Pharmacy International segment sells prescription drugs; and health and wellness, beauty, personal care, and other consumer products through its pharmacy-led health and beauty stores and optical practices, as well as through boots.com and an integrated mobile application. This segment operated 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** 35.40B (12/17/2020) **MARKET CAP** 9,021 (As of 08/31/2020) **# OF LOCATIONS** Deerfield, IL **HEADQUARTERS WEBSITE** https://www.walgreens.com/





FACING SOUTHEAST

E DRY CREEK RD 20,997 GPD

PARK MEADOWS
A 1.58 MILLION SF SHOPPING CENTER
ANCHORED BY JCPENNEY, NORDSTROM,
MACY'S, DICKS SPORTING GOODS & DILLARD'S
WITH 193 RETAIL SHOPS & RESTAURANTS

COSTCO WHOLESALE, BEST BUY, NORDSTROM RACK, THE CONTAINER STORE, OLD NAVY, PETSMART, DAVID'S BRIDAL, MEN'S WAREHOUSE



TOWNEPLACE

ARROW ELECTRONICS PANORAMA CIR

FARGO

FACING SOUTH



FACING NORTH













Centennial is a Home Rule Municipality located in Arapahoe County, Colorado. Centennial is a part of the Denver-Aurora-Lakewood, CO Metropolitan Statistical Area. Centennial covers 27.9 square miles. Centennial is roughly divided in half by Interstate 25, with most of its business and entertainment centers lying west of the highway.

Centennial is one of Colorado's newest cities, was incorporated in February 7, 2001. It is home to the state's only **IKEA**, the **Streets of Southglenn** & some of the most sought-after neighborhoods. Centennial has been recognized as one of the state's safest & most livable, according to rankings from SafeHome.com and CQ Press.

The City of Centennial's diverse business base generates healthy revenue & encourages ongoing revitalization through thoughtful & responsible development. Top industries include Professional & Business Services; Finance, Insurance & Real Estate; Education & Healthcare; Leisure & Hospitality; Construction, Wholesale Trade; and Information.

Top 5 Employers in Centennial include: 1) Comcast; 2) Arrow Electronics; 3) United Healthcare; 4) Centura Health; and 5) United Launch Alliance (ULA)

Comcast Corporation is an American telecommunications conglomerate headquartered in Philadelphia, Pennsylvania. The corporate office in Centennial is the largest employer in the city. It is the second-largest broadcasting and cable television company in the world by revenue and the largest pay-TV company, the largest cable TV company and largest home Internet service provider in the United States, and the nation's third-largest home telephone service provider.

Arrow Electronics is an American Fortune 500 company headquartered in Centennial, Colorado. The company specializes in distribution and value added services relating to electronic components and computer products. The company ranked No. 110 in the 2019 Fortune 500 list of the largest United States corporations by total revenue.

2020 DEMOGRAPHICS						
	1-MI	3-MI	5-MI			
TOTAL POPULATION	11,319	89,130	232,790			
PROJECTED POPULATION (2025)	11,730	94,763	249,985			
DAYTIME POPULATION	23,645	168,903	278,373			
AVERAGE HOUSEHOLD INCOME	\$142,634	\$169,136	\$164,296			

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FOR MORE INFORMATION:

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