

Walgreens

EXCLUSIVE NET-LEASE OFFERING



OFFERING MEMORANDUM

Walgreens

100 East McMurray Road
McMurray, PA 15317

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The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided.

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to

market, economic, environmental or other conditions. Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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100 East McMurray Road
McMurray, PA 15317

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Walgreens





Investment Highlights

PRICE: \$9,836,364 | CAP: 5.50% | RENT: \$541,000

Walgreens

About the Investment

- ✓ Long-Term, 75-Year Absolute Triple Net (NNN) Lease With 14+ Years Remaining of Base Term
- ✓ Corporate Location, Corporate Guarantee | Built in 2010
- ✓ Rental Increases Every Five Years Beginning in Year 26

About the Location

- ✓ Dense Retail Corridor | TJ Maxx, Rite Aid, CVS, Taco Bell, Burger King, McDonald's, Starbucks, Wendy's, and SuperCuts and Chipotle
- ✓ Robust Demographics | Population Exceeds 83,000 Individuals Within a 5-Mile Radius
- ✓ Compelling Location Fundamentals | Within 25 miles of Pittsburgh International Airport | Serves Over 9,000,000 Passengers Annually
- ✓ Strong University Presence | Less Than Twenty Miles from Carnegie Mellon University and University of Pittsburgh | Over 40,000 Students Enrolled
- ✓ Local Academic Presence | Peters Township High School & Pleasant Valley Elementary School | Less Than One-Mile Away | Over 1,800 Students Combined
- ✓ Strong Traffic Counts | Washington Rd and East McMurray Rd | 27,481 and 14,773 Vehicles Per Day Respectively

About the Tenant / Brand

- ✓ BBB Credit Guaranty
- ✓ Walgreens is One of the Nation's Largest Leading Drugstore Chains
- ✓ Walgreens Operates 9,000+ Drugstores with a Presence in all 50 States, the District of Columbia, Puerto Rico and the U.S. Virgin Islands.
- ✓ Walgreens Also Manages More Than 400 Healthcare Clinics and Provider Practice Locations Around the Country.
- ✓ Publicly Traded on the NYSE Under the Ticker Symbol 'WBA'





Financial Analysis

PRICE: \$9,836,364 | CAP: 5.50% | RENT: \$541,000

Walgreens

Property Description

Property	Walgreens
Property Address	100 East McMurray Road
City, State, ZIP	McMurray, PA 15317
Year Built	2010
Building Size	14,640
Lot Size	+/- 1.40 Acres
Type of Ownership	Fee Simple

The Offering

Purchase Price	\$9,836,364
CAP Rate	5.50%
Annual Rent	\$541,000

Lease Summary

Property Type	Net Leased Drug Store
Tenant / Guarantor	Corporate
Ownership Type	Public
Original Lease Term	75 Years
Lease Commencement	7/26/2010
Lease Expiration	12/31/2085
Lease Term Remaining	14 Years on Base Term
Lease Type	Triple-Net (NNN)
Roof & Structure	Tenant Responsible
Increases	~1.75% Increases Every Five Years Beginning Year 26
Options to Terminate	Tenant Must Give 12 Months Notice for Termination In Year 26

RENT SCHEDULE

Lease Year(s)	Annual Rent	Monthly Rent
Year 10	\$541,000	\$45,083
Year 11	\$541,000	\$45,083
Year 12	\$541,000	\$45,083
Year 13	\$541,000	\$45,083
Year 14	\$541,000	\$45,083
Year 15	\$541,000	\$45,083
Year 16	\$541,000	\$45,083
Year 17	\$541,000	\$45,083
Year 18	\$541,000	\$45,083
Year 19	\$541,000	\$45,083
Year 20	\$541,000	\$45,083
Year 21	\$541,000	\$45,083
Year 22	\$541,000	\$45,083
Year 23	\$541,000	\$45,083
Year 24	\$541,000	\$45,083
Year 25	\$541,000	\$45,083

INVESTMENT SUMMARY

Marcus & Millichap is pleased to present the exclusive listing for a Walgreens located at 100 East McMurray Road in McMurray, Pennsylvania. The site constructed in 2010, consists of roughly 14,640 rentable square feet of building space and sits on an approximately 1.40-acre parcel of land.

Walgreens is subject to a 75-year triple-net (NNN) lease, which commenced on July 26th, 2010. The current annual rent is \$541,000. There are increases every five years beginning in year 26 of the lease.



Tenant Overview

Walgreens

About Walgreens

Walgreens, one of the nation's largest drugstore chains, constitutes the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc. (Nasdaq: WBA), the first global pharmacy-led, health, and wellbeing enterprise. More than 8 million customers interact with Walgreens each day in communities across America, using the most convenient, multichannel access to consumer goods and services and trusted, cost-effective pharmacy, health and wellness services and advice. Walgreens operates 9,000+ drugstores with a presence in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. Walgreens digital business includes Walgreens.com, drugstore.com, Beauty.com, SkinStore.com and VisionDirect.com. Walgreens also manages more than 400 Healthcare Clinics and provider practice locations around the country. Walgreens Boots Alliance reported revenue of \$136.86 Billion in fiscal year 2019 and their credit ranking by Standard and Poor's is BBB.

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise in the world. The company was created through the combination of Walgreens and Alliance Boots in December 2014, bringing together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted health care services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.



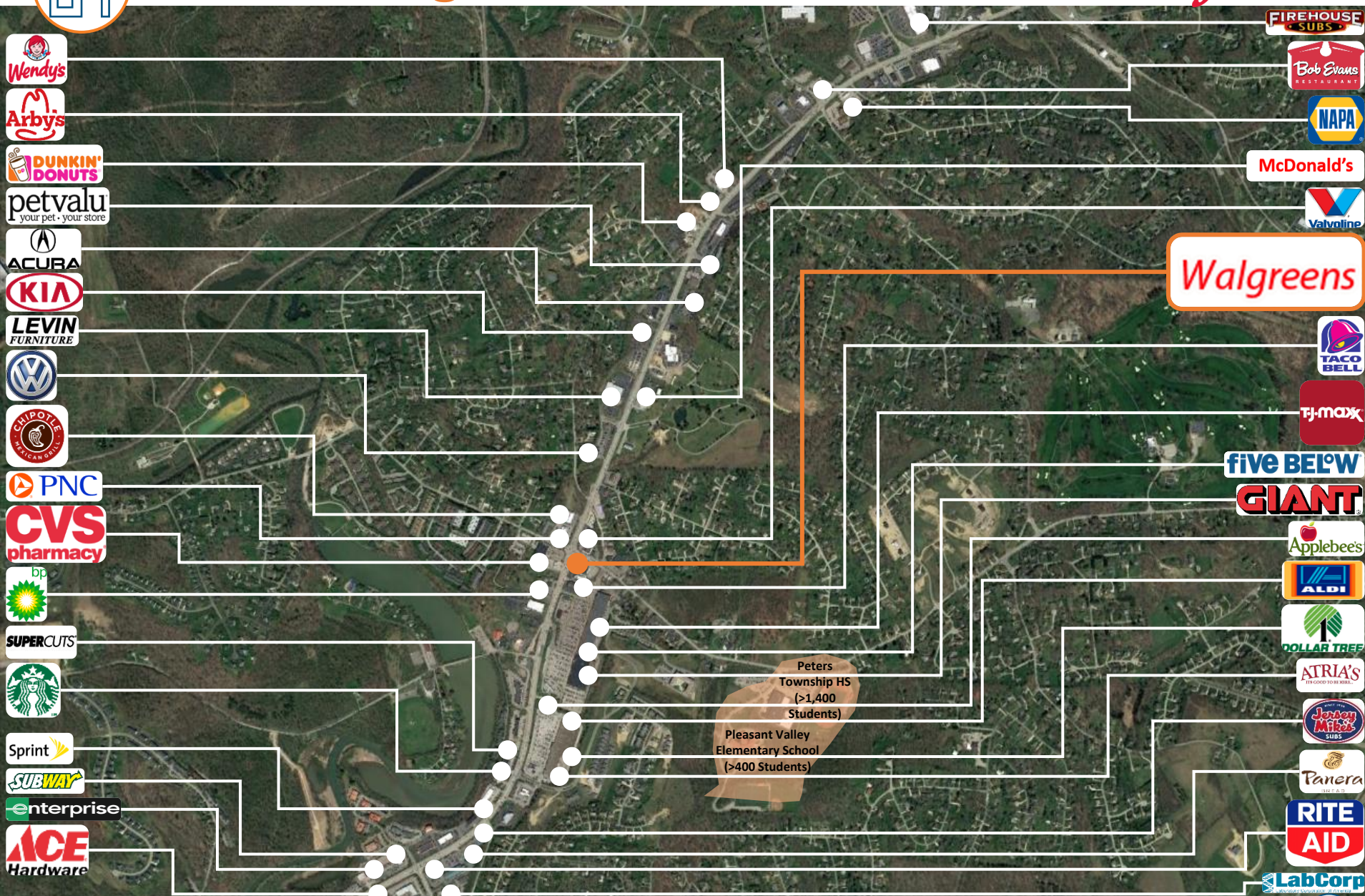
General Information

Address	Deerfield, IL
Website	www.Walgreens.com
Founded	1901
Locations	9,560
Chairman/CEO	Stefano Pessina



Surrounding Area

Walgreens





Location Overview

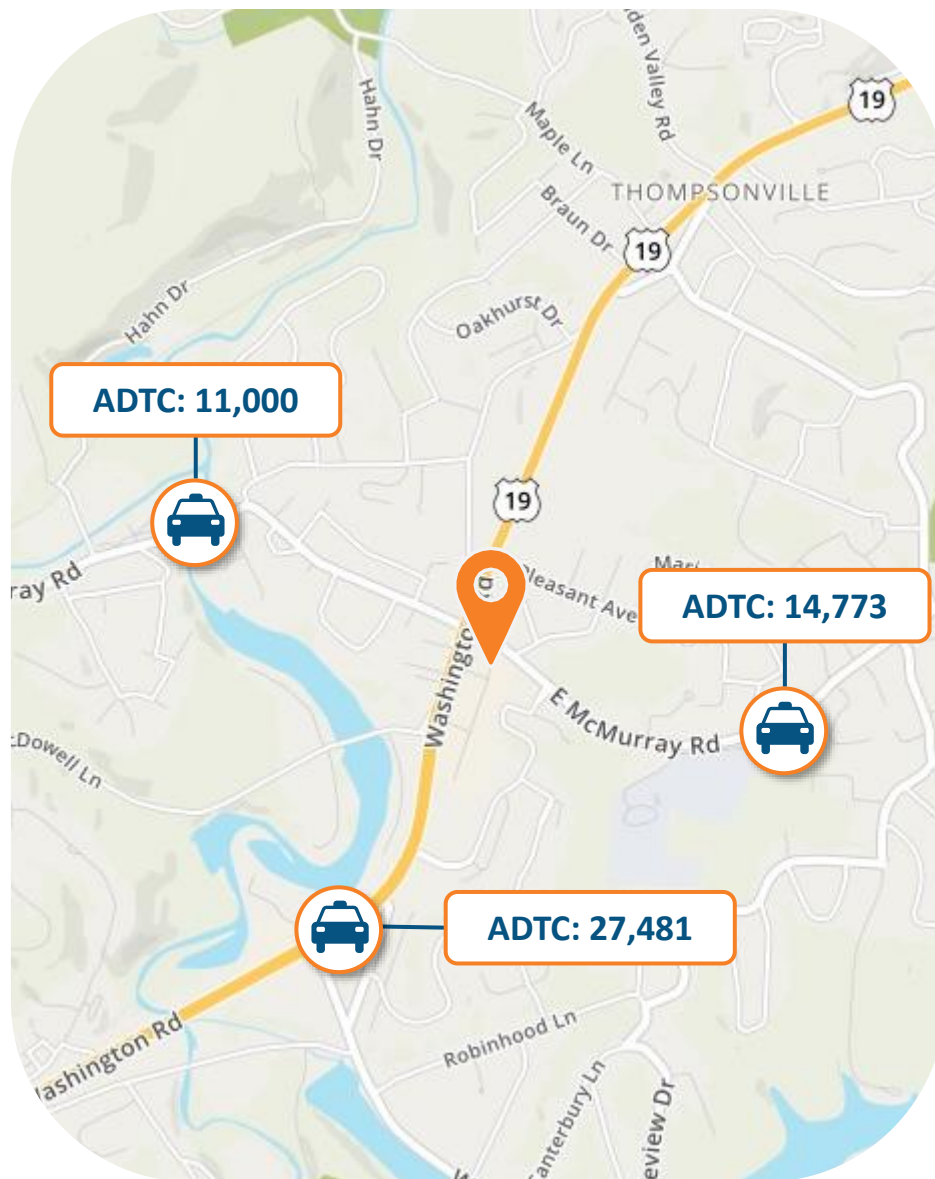
Property Address: 100 E McMurray Rd– McMurray, PA 15317

Walgreens

The subject investment property is situated on the hard signalized corner at the intersection of East McMurray Road and Washington Road. Daily Traffic counts for East McMurray and Washington Road exceed 14,000 and 27,000 vehicles respectively. There are more almost 29,000 individuals residing within a three-mile radius of the property and more than 83,000 individuals within a five-mile radius. McMurray is a borough in Washington County, Pennsylvania, 18 miles southwest of Pittsburgh. The city was laid out by Colonel John Canon in 1789 and incorporated in 1802. Interstate 79 and Route 19 pass through the town, as do several railroad lines. The active railroad system in McMurray is now The Pittsburgh and Ohio Central Railroad.

The subject property benefits from being well-positioned in a highly dense retail corridor consisting of national and local tenants, shopping centers, and country clubs all within close proximity of this property. Major national tenants include: TJ Maxx, Valvoline Instant Oil Change, CVS, Burger King, Applebee's, Taco Bell, McDonald's and Starbucks. Canonsburg Hospital, a general medical, surgical and teaching facility with 24-hour emergency room, admitting over 4,000 patients and 21,000 emergency visitors annually, is located less than five miles from the subject property. Pittsburgh International Airport (PIT), the first US airport to be named Airport of the Year in 2017, serves over 9,000,000 passengers annually and is located less than 25 miles from this Walgreens. Additionally, there is a strong academic presence with Pleasant Valley Elementary School & Peters Township Highschool within one-mile of the subject property servicing over 1,800 students combined.

McMurray is home to an annual Oktoberfest and the second-largest Fourth of July parade in the state of Pennsylvania, second only to Philadelphia. 50,000 to 60,000 people usually attend the parade and it starts on Morganza Road and runs down the length of Pike Street, heading westward, for approximately 1.5 miles. McMurray is on the rise, seeing consistent population growth since 2000.





Property Photo

Property Address: 100 E McMurray Rd– McMurray, PA 15317

Walgreens





Property Photo

Property Address: 100 E McMurray Rd– McMurray, PA 15317

Walgreens





Surrounding Area Photos

Property Address: 100 E McMurray Rd– McMurray, PA 15317

Walgreens

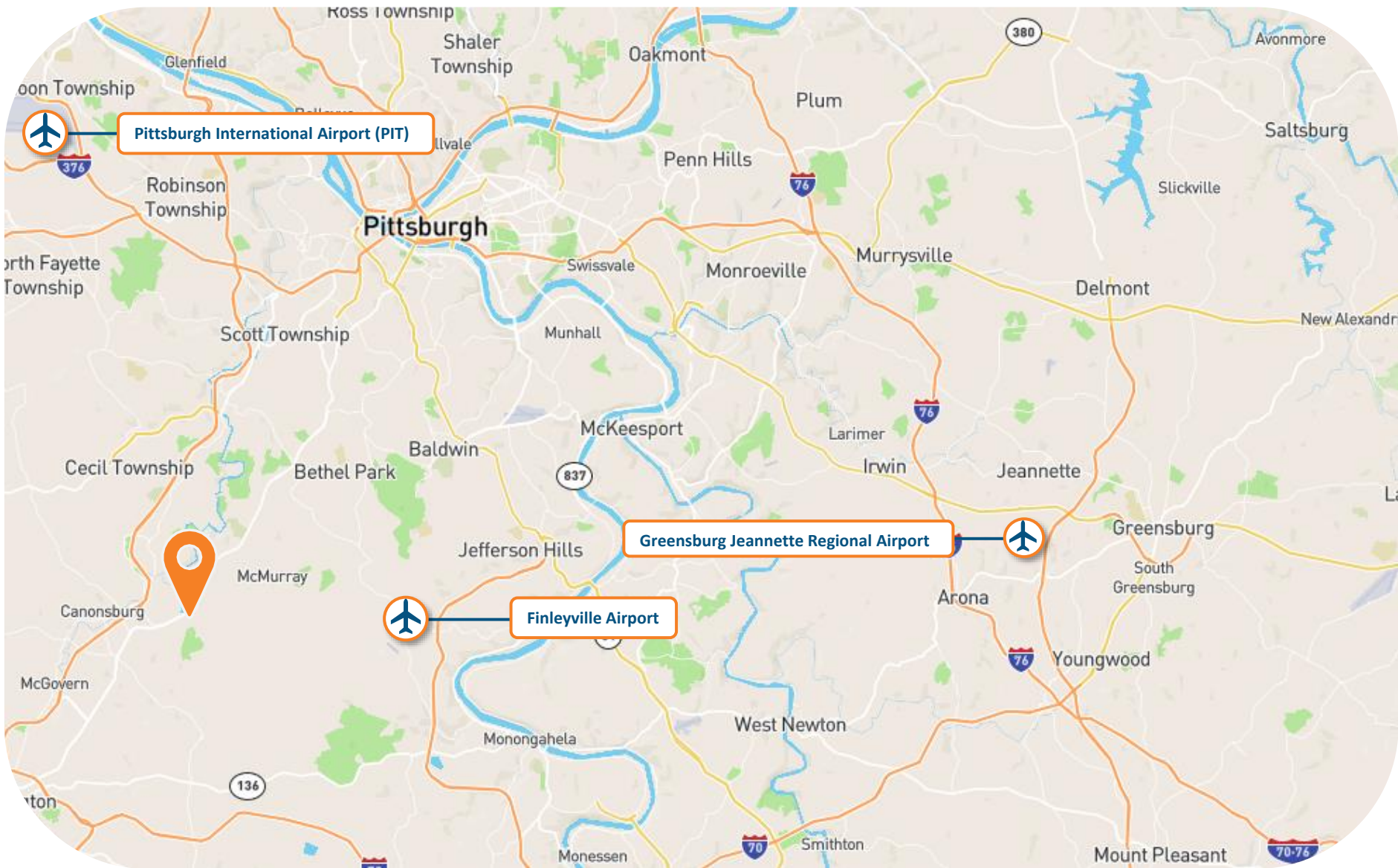




Local Map

Property Address: 100 E McMurray Rd– McMurray, PA 15317

Walgreens

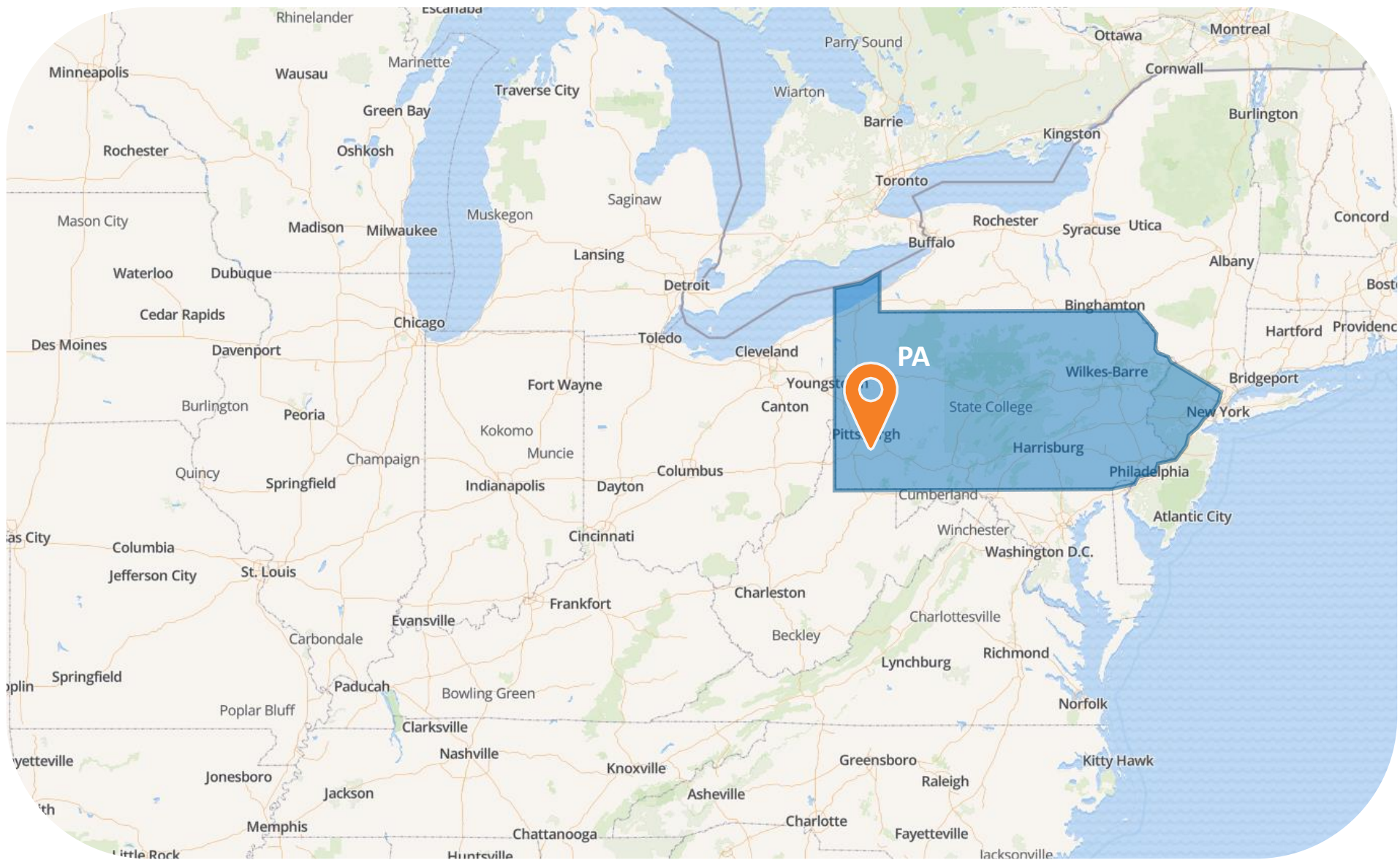




Regional Map

Property Address: 100 E McMurray Rd– McMurray, PA 15317

Walgreens

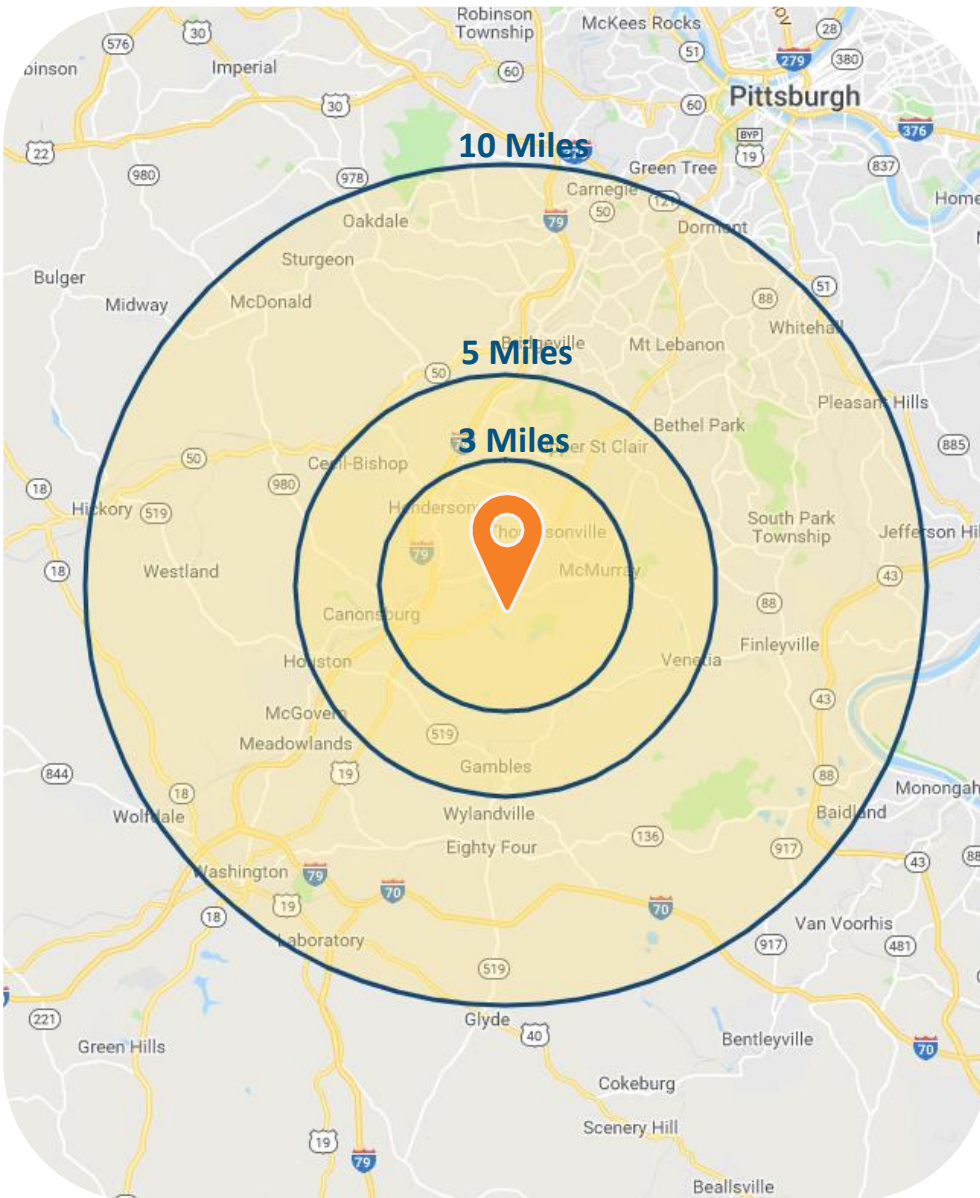




Demographics

Property Address: 100 E McMurray Rd– McMurray, PA 15317

Walgreens



POPULATION

	3 Mile	5 Miles	10 Miles
2024 Projection	30,244	85,916	328,814
2019 Estimate	28,964	83,252	323,949
2010 Census	27,467	79,914	315,222
2000 Census	23,383	71,645	306,146

INCOME

Average	\$129,304	\$122,151	\$101,760
Median	\$94,939	\$88,531	\$73,336
Per Capita	\$51,558	\$48,308	\$42,915

HOUSEHOLDS

2024 Projection	12,140	34,074	139,052
2019 Estimate	11,511	32,841	136,037
2010 Census	10,802	31,477	132,716
2000 Census	8,869	26,908	123,945

HOUSING

2019	\$262,886	\$238,955	\$187,936
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EMPLOYMENT

2019 Daytime Population	32,416	76,924	301,560
2019 Unemployment	2.96%	2.97%	3.33%
2019 Median Time Traveled	29 mins	30 mins	30 mins

RACE & ETHNICITY

White	93.00%	92.19%	91.53%
Native American	0.03%	0.01%	0.03%
African American	1.90%	2.02%	2.76%
Asian/Pacific Islander	2.85%	3.60%	3.47%



Market Overview

City: McMurray | County: Washington | State: Pennsylvania

Pittsburgh, Pennsylvania

McMurray is a city located less than 25 miles from the bustling city of Pittsburgh, home to 68 colleges and universities including research and development leaders Carnegie Mellon University and University of Pittsburgh. University related start-up companies are abundant, offering many benefits to the local economy. Nationally recognized companies such as Google, Apple, Bosch, Disney, Uber, Intel, and IBM are amongst the 1,600 technology firms that operate in Pittsburgh. The city features 30 skyscrapers, a pre-revolutionary fortification and major sports teams from the NBA, NHL, and MLB. Aside from steel, Pittsburgh has led in aluminum, glass, shipbuilding, petroleum, computing, autos, and electronics. Employment growth is driven by trade services as well the strong education and healthcare industries.

The Pittsburgh metro rests at the foothills of the Allegheny Mountains, in the southeast corner of Pennsylvania, outside the congested East Coast corridor. The MSA covers 5,300 square miles of rolling, often hilly, terrain. The city of Pittsburgh is located where the Allegheny and Monongahela rivers join together to form the Ohio River.

Major Employers

Employer	Estimated # of Employees
PNC	2,351
Upmc Health System	2,010
St. Clair Mem Hosp Foundation	2,008
Cnx Coal Resources LP	1,600
Washington Physician Svcs Org	1,600
St Clair Hospital	1,516
St Clair Health Corporation	1,500
WASHINGTON HOSPITAL SCHOOL OF	1,478
Washington Health Care Svcs	1,404
Consol PA Coal Co LLC	1,200
Giant Eagle	1,098

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