

Actual Site

Marcus & Millichap
PATTON | WILES | FULLER GROUP

Walgreens

Garfield Heights | Ohio
(Cleveland MSA)



Abs. NNN Walgreens with 8.25 Years Remaining in Dense Cleveland Suburb | Strong Store Sales – 90% Rank for Traffic

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Walgreens
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Exclusively Listed By Patton | Wiles | Fuller of Marcus & Millichap:

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169,640 VPD



Walgreens





Executive Summary



5090 Turney Road
Cleveland (Garfield Heights), OH 44125



Demographics

100,797
Residents in 3-Mi

257,391
Residents within 5-Mi

39,707
Households in 3-Mi

105,060
Households in 5-Mi

Offering Price

\$5,690,000

Cap Rate	6.75%
Current Annual Rent	\$384,000
Gross Leasable Area	14,560 SF
Year Built	2004
Lot Size	0.76 Acres

Lease Summary

Lease Type	Absolute Net (NNN)
Roof & Structure	Tenant Responsible
Commencement Date	August 01, 2004
Lease Expiration Date	July 31, 2029
Original Lease Term	25 Years
Remaining Lease Term	8.25 Years
Renewal Options	Ten, 5 Year Options
Rent Increases	Flat

Rent Schedule

Base Term	Annual Rent	Monthly Rent	Rent/Sf	Cap Rate
Current - July 31, 2029	\$384,000	\$32,000	\$26.37	6.75%



Merchandise Sales Up 24% YOY and Overall Sales Up 15% YOY

Ranks in the Top 9% (#21) of All 219

**Walgreens Locations in
Ohio for Customer Foot Traffic**

(Source: Placer.AI)



Actual Site



Walgreens

Investment Highlights

- » Abs. NNN Walgreens with 8.25 Years Remaining in Dense Cleveland Suburb
- » Merchandise Sales Up 24% YOY and Overall Sales Up 15% YOY
- » Ranks in the Top 9% (#21) of All 219 Walgreens Locations in Ohio for Customer Foot Traffic (Source: Placer.AI)
- » Extremely Dense Infill Location: 13,400 Residents within 1-Mi
- » Located at Hard Corner Signalized Intersection with 27,700 VPD
- » Absolute NNN Lease – Zero Landlord Responsibilities
- » 3 Points of Ingress/Egress onto Main Road and Two Side Streets
- » Urban Location with Excellent Walkability & Bus Stop Located in Front of Property – Surrounded by Streets of Dense Single-Family Housing
- » E-Commerce-Resistant and Pandemic-Proof Essential Business
- » High Intrinsic Value in the Dirt/Building Given Hard Corner Lot, Excellent Visibility, Infill Location/Barriers to Entry, and Dense Demographics
- » S&P “BBB” Investment-Grade Credit Rating; Walgreens is #19 on the Fortune 500 with \$140 Billion in Annual Revenue and a \$46 Billion Market Cap; 9,000 Locations in the U.S. and 5,000 Locations Abroad
- » Walgreens is Under Original 25-Year Lease – 2004 All-Brick Construction with Drive-Thru and Ample Parking
- » Dense Inner-Ring Suburb with 100,800 Residents within 3-Mi & 257,400 Residents within 5-Mi
- » Cleveland MSA is home to a Population of Over 2 Million; Part of the Larger Cleveland-Akron-Canton CSA with Over 3.6 Million Residents



Hard Corner Signalized Location

27,700 VPD at Intersection



Extremely Dense Infill Location

13,400 Residents within 1-Mi



Top 9% of All Ohio Walgreens

For Customer Foot Traffic
(Source: Placer.AI)

Extremely Dense Infill Location: 13,400 Residents within 1-Mi



169,640 VPD





**Marymount
Hospital**
A 269-registered bed
acute care hospital



**Located at Hard Corner Signalized Intersection
3 Points of Ingress/Egress onto Main Road and Two Side Streets**



**27,700 VPD
At Intersection**

Actual Site

Walgreens
Parcel Map



Absolute NNN Lease – Zero Landlord Responsibilities E-Commerce-Resistant and Pandemic-Proof Essential Business



Actual Site



planet fitness
Marc's
BIG LOTS!
Save a lot
McDonald's
Walgreens
CITITRENDS
PET SUPPLIES PLUS

CHIPOTLE
Starbucks
CINEMARK
PENN STATION
QUAKER STEAK & LUBE
BEST WINGS USA



169,640 VPD



McDonald's



19,354 VPD

Burger King



Garfield Heights
High School
1,300+ Students



**Walgreens - S&P “BBB” Investment-Grade Credit Rating;
#19 on the Fortune 500
\$140 Billion in Annual Revenue
\$46 Billion Market Cap
9,000 Locations in the U.S. & 5,000 Locations Abroad**





One of the largest drugstore chains in the U.S.

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.

Company Facts

Prescriptions filled

Walgreens filled 287.6 million prescriptions (including immunizations) on a 30-day adjusted basis in fiscal 2020.

Total number of Walgreens employees

225,000+ people.

Number of healthcare service providers

85,000 healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners and other health-related professionals.

Geography Served

As of August 2020, approximately 78 percent of the U.S. population lives within five miles of a Walgreens, Duane Reade store.

Number of Locations

As of August 31, 2020, Walgreens operates approximately 9,021 drugstores with a presence in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands

How many customers does Walgreens interact with daily?

Walgreens interacts with approximately 8 million customers in its stores and online each day.



S&P Credit Rating



Stock: NASDAQ



Annual Revenue



Public
Ownership



225,000+
Employees



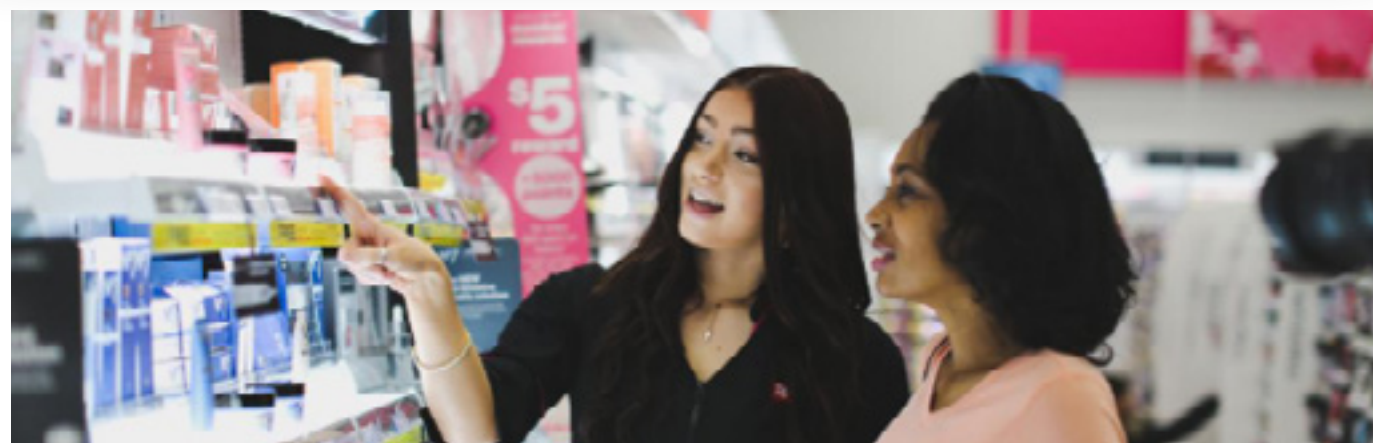
9,012+
Locations



Deerfield, IL
Headquarters



\$46B
Market Cap



Located 9-Miles South of Downtown Cleveland

Dense Inner-Ring Suburb with 100,800 Residents within 3-Mi & 257,400 Residents within 5-Mi



**Urban Location with
Excellent Walkability
& Bus Stop Located in
Front of Property –
Surrounded by Streets of
Dense Single-Family Housing**



19,354 VPD



Cleveland Ohio

Location Overview

In its in-depth study, “The Fifth Migration: A Study of Cleveland Millennials”, the Cleveland Foundation reports Cleveland ranks among the top 10 U.S. cities for population growth of college-educated millennials.

The renewed focus on space exploration is good news for the fuel cell industry and the NASA Glenn Research Center in Cleveland. Companies with corporate headquarters in Cleveland include Applied Industrial Technologies, Cliffs Natural Resources, and Sherwin-Williams Company. The Federal Reserve Bank of Cleveland, one of only 12 Reserve Banks in the U.S., is in downtown Cleveland.



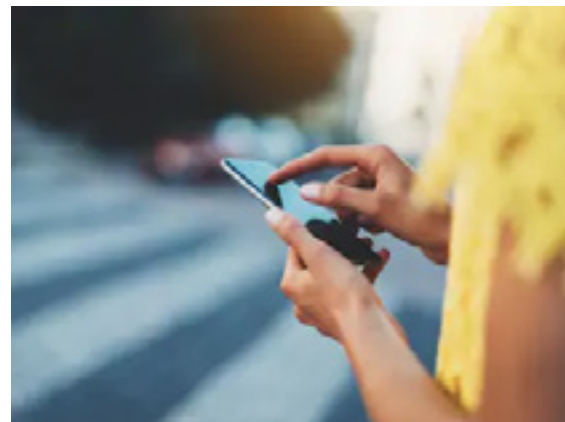
Healthcare Sector

The healthcare sector is one of the major employers in Cleveland, including the Cleveland Clinic, University Hospitals of Cleveland, MetroHealth, and Medical Mutual of Ohio.



Tech Hub

Biotechnology, fuel cell research, and technology are three of the growing employment sectors in Cleveland. In fact, Forbes recently speculated that Cleveland might become the country’s next technology hub.



Manufacturing

Despite the shift to professional service and high tech business, construction and manufacturing in Cleveland still account for a significant amount of employment growth. Nearly 3,000 new manufacturing jobs were created through June of last year, while the construction industry added more than 1,700 new jobs during the same period.



Education

Nearly 31% of the adults in Cleveland hold an undergraduate degree or higher, an increase of more than 4% over the last 10 years. Cleveland ranks among top 10 U.S. cities for population growth of college-educated millennial residents. Downtown Cleveland experiences 76 percent increase in residents aged 25-34 since 2000.



Travel Hub

More than 5.8 million domestic and international passengers traveled through the Cleveland Hopkins International Airport (CLE) through the first half of 2019, while shipping facilities at CLE have handled more than 51,000 tons of cargo over the same time period.



Performing Arts

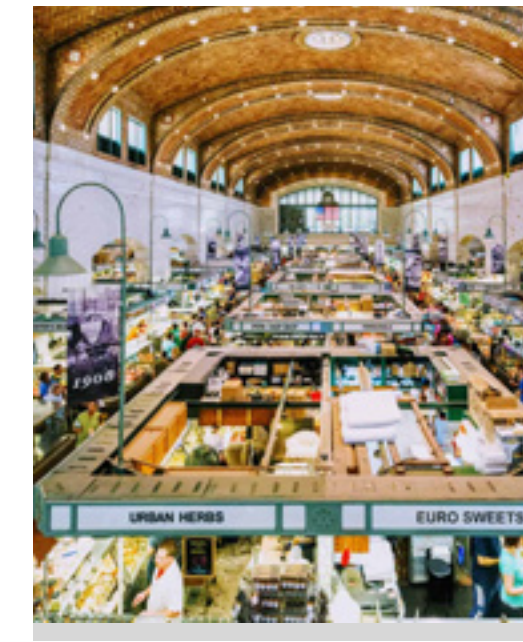
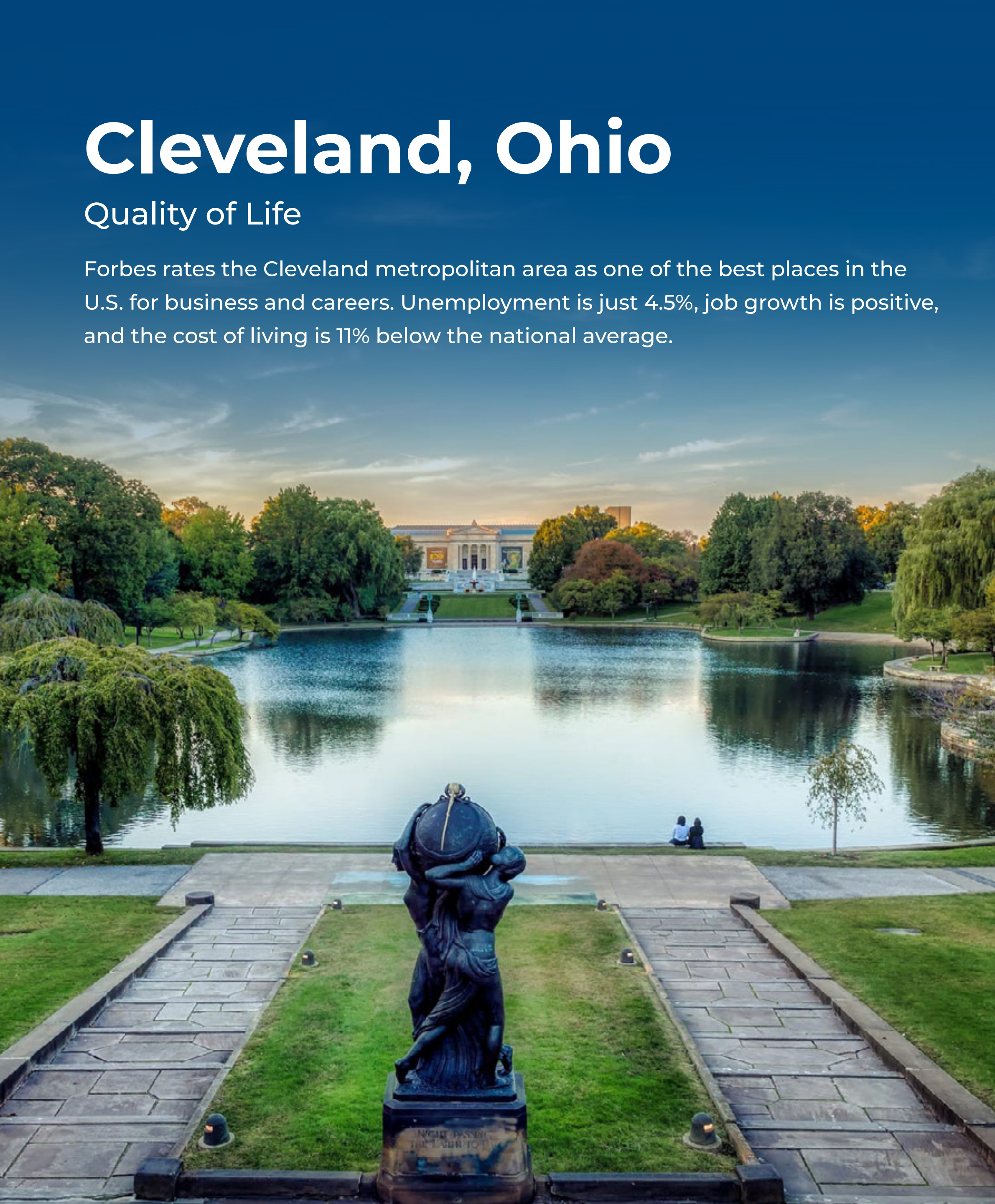
Playhouse Square in Cleveland is the 2nd-largest performing arts center in the country, right behind New York’s Lincoln Center, and the Cleveland Museum of Arts is home to more than 40,000 works.



Cleveland, Ohio

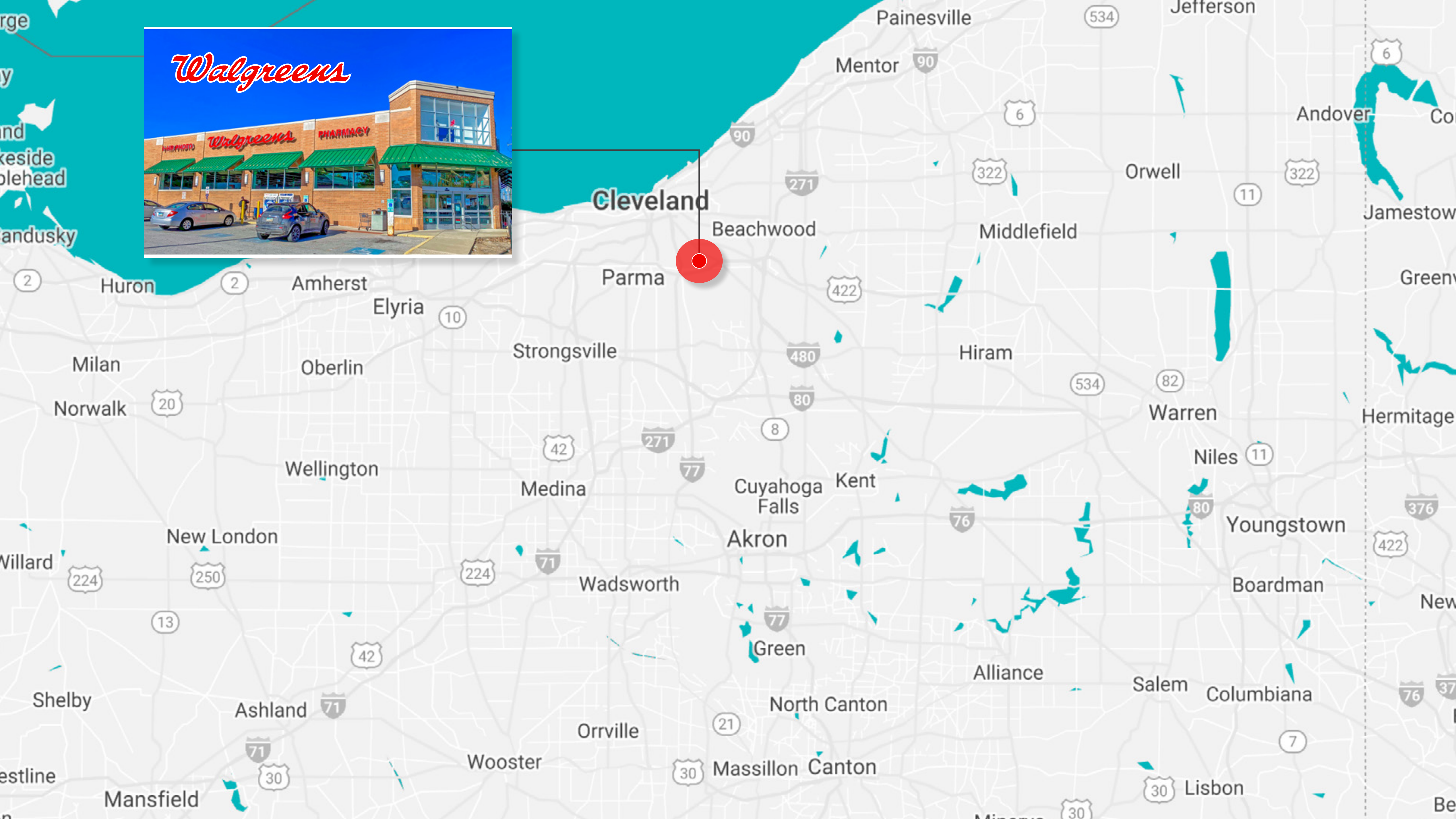
Quality of Life

Forbes rates the Cleveland metropolitan area as one of the best places in the U.S. for business and careers. Unemployment is just 4.5%, job growth is positive, and the cost of living is 11% below the national average.



Key Quality of Life Stats:

- University Circle in Downtown Cleveland is home to the city's cultural, educational, and medical institutions including the Cleveland Museum of Natural History, Case Western Reserve University, and University Hospitals.
- I.M. Pei designed the Rock and Roll Hall of Fame, located along the Lake Erie waterfront, near other popular attractions like the World War II submarine USS Cod and the Great Lakes Science Center.
- The Red Line Rapid Train is known as one of the best mass transit systems in the country.
- Cleveland Clinic and University Hospitals are renowned for their world-class healthcare services.
- Neighborhoods on the east side and west side of Cleveland feature a wide variety of housing options including historic homes, condos, and apartments.





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