



## 12+ Year Walgreens - Absolute Net Lease - Cincinnati MSA

- Unique Kroger Co-Branding, One of Only 13 in Pilot Program - Driving Sales Up by 20% in Last Few Years
- Absolute Net Lease - Zero Landlord Responsibilities
- Strategic Location for Walgreens - Just 12 Miles From Downtown Cincinnati, OH
- Strong Traffic Counts: 29,000 VPD
- Shadow Anchored by a Walmart Supercenter
- Full Walgreens Corporate Guaranty

**Walgreens**

📍 ALEXANDRIA, KY

**\$5,679,984**

**6.25% CAP**

📞 (888) 258-7605  
✉️ Listings@deerfieldteam.com

John Giordani  
Art Griffith

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# INVESTMENT SUMMARY

offering memorandum

1 VIEWPOINT DR | ALEXANDRIA, KY 41001

WALGREENS #11495

**\$5,679,984**

PRICE

**6.25%**

CAP

**\$354,999**

NOI

**12.3**

YEARS REMAINING

This is one of only 13 Walgreens that served as a pilot program for a co-branding partnership with Kroger. These stores feature convenience and food items of which 30% were Kroger store brands. The partnership has produced tremendous results, as Walgreens store sales are up over 20% at this location since the launch. This store is well positioned immediately across the street from a Walmart Supercenter, on the high traffic intersection of Alexandria Pike and Viewpoint. With a full Guaranty from Walgreens Corporate, this store is ideal for a 1031 exchange.



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# PROPERTY OVERVIEW



## PROPERTY DETAILS

**Address:** 1 Viewpoint Dr  
**Year Built:** 2008  
**Building Size:** 14,750 Square Feet  
**Lot Size:** 1.84 Acres  
**Tenant:** Walgreens



## LEASE SUMMARY

**Lease Type:** NNN  
**Landlord Responsibilities:** None  
**Rent Start Date:** 4/14/2008  
**Firm Term End Date:** 4/30/2033  
**Termination Options:** Tenant has 50 annual options to renew after the initial 25-year lease term.



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# DEMOGRAPHICS



## POPULATION

1 Mile	3 Mile	5 Mile
1,825	14,968	38,872



## AVERAGE HOUSEHOLD INCOME

1 Mile	3 Mile	5 Mile
\$90,379	\$89,005	\$86,955



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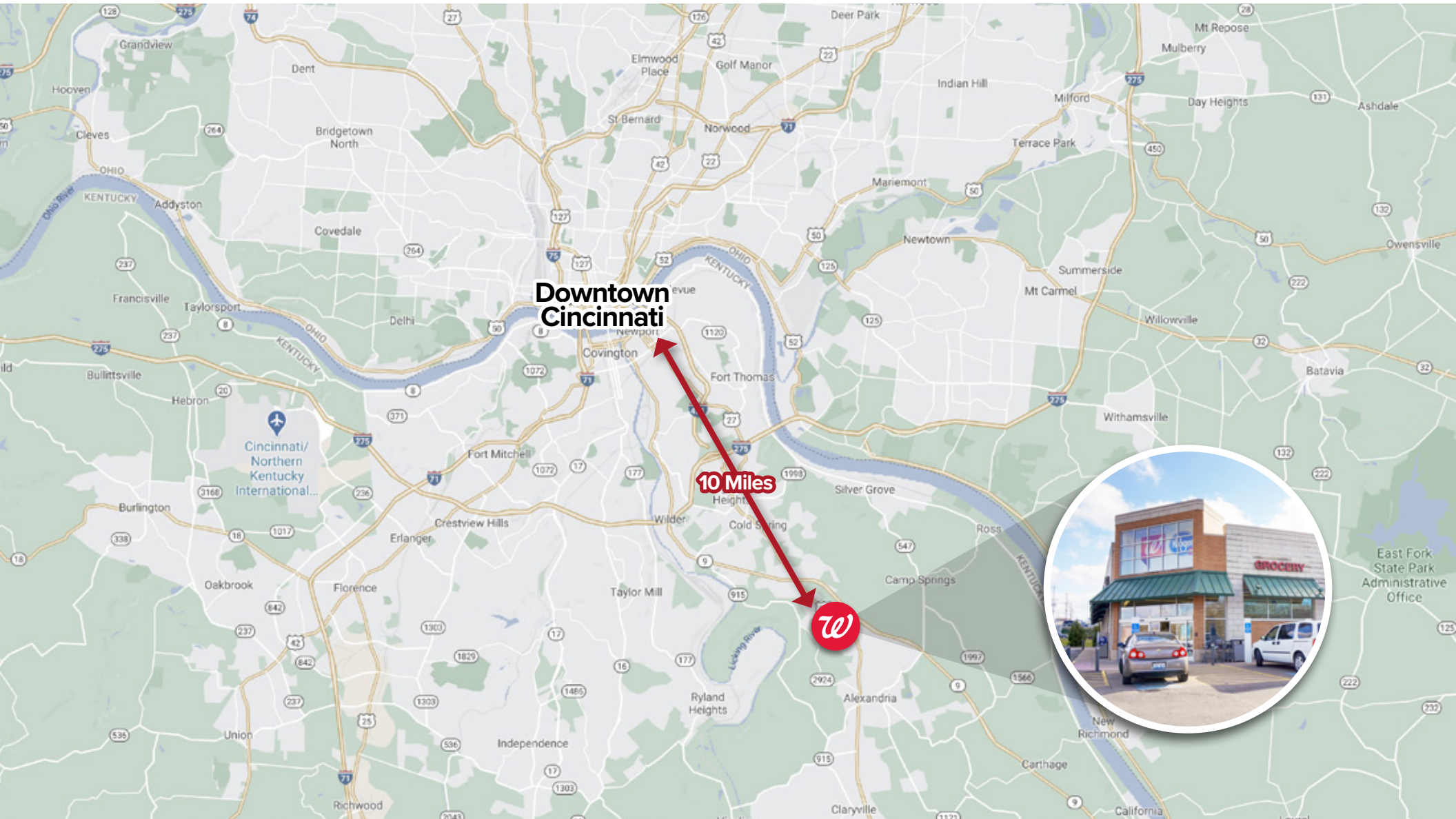
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# REGIONAL OVERVIEW



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## ABOUT WALGREENS BOOTS ALLIANCE



Walgreens is committed to providing health services that protect our communities from COVID-19. As of February, 2021 Walgreens will support the administration of COVID-19 vaccines to the general public through their more than 9,000 store locations. With nationwide presence, extensive vaccine experience and trusted community pharmacists, Walgreens can help accelerate COVID-19 vaccine administration nationwide. Walgreens will continue to provide COVID-19 drive-thru testing in 49 states and at-home testing kits.

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 415,000\* people. The Company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has more than 18,500\* stores in 11\* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390\* distribution centers delivering to more than 230,000\*\* 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.

Walgreens Boots Alliance is included in Fortune magazine's 2018 list of the World's Most Admired Companies. This is the 25th consecutive year that Walgreens Boots Alliance or its predecessor company, Walgreen Co., has been named to the list.

\*As of 31 August 2018, using publicly available information for AmerisourceBergen.

\*\*For 12 months ending 31 August 2018, using publicly available information for AmerisourceBergen.



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# WALGREENS INCOME STATEMENTS TRAILING 5 YEARS

Fiscal year is Sept. – Aug. (All values USD millions)	2015	2016	2017	2018	2019
<b>Sales/Revenue</b>	<b>103.44B</b>	<b>117.35B</b>	<b>118.21B</b>	<b>131.54B</b>	<b>136.87B</b>
Sales Growth	35.41%	13.44%	0.74%	11.27%	4.05%
<b>Cost of Goods Sold (COGS) Incl, D&amp;A</b>	<b>78.26B</b>	<b>89.2B</b>	<b>90.71B</b>	<b>102.52B</b>	<b>108.83B</b>
COGS excluding D&A	76.52B	87.48B	89.05B	100.75B	106.79B
Depreciation & Amortization Expense	1.74B	1.72B	1.65B	1.77B	2.04B
Depreciation	1.26B	1.32B	1.27B	1.28B	1.49B
Amortization of Intangibles	480M	396M	385M	493M	552M
<b>Gross Income</b>	<b>25.18B</b>	<b>28.16B</b>	<b>27.51B</b>	<b>29.02B</b>	<b>28.04B</b>
	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>
<b>SG&amp;A Expense</b>	<b>20.26B</b>	<b>21.79B</b>	<b>21.25B</b>	<b>22.88B</b>	<b>22.91B</b>
Research & Development	-	-	-	-	-
Other SG&A	20.26B	21.79B	21.25B	22.88B	22.91B
Other Operating Expense	-	-	-	-	-
Unusual Expense	(663M)	963M	886M	188M	311M
EBIT after Unusual Expense	5.58B	5.41B	5.37B	(188M)	4.82B
Non Operating Income/Expense	20M	297M	37M	450M	251M
Non-Operating Interest Income	-	-	-	-	-
Equity in Affiliates (Pretax)	315M	37M	135M	191M	164M
<b>Interest Expense</b>	<b>608M</b>	<b>596M</b>	<b>693M</b>	<b>616M</b>	<b>704M</b>
Gross Interest Expense	609M	596M	693M	616M	704M
Interest Capitalized	1M	-	-	-	-
<b>Pretax Income</b>	<b>5.31B</b>	<b>5.14B</b>	<b>4.85B</b>	<b>5.98B</b>	<b>4.53B</b>
Income Tax	1.06B	997M	760M	998M	588M
Income Tax - Current Domestic	967M	1.06B	804M	969M	247M
Income Tax - Current Foreign	128M	371M	390M	353M	241M
Income Tax - Deferred Domestic	(39M)	(177M)	(330M)	(266M)	155M
Income Tax - Deferred Foreign	-	(252M)	(104M)	(58M)	(55M)
Income Tax Credits	-	-	-	-	-
Equity In Affiliates	24M	44M	8M	54M	23M
Other After Tax Income (Expense)	-	-	-	-	-
Consolidated Net Income	4.28B	4.19B	4.1B	5.03B	3.96B
Minority Interest Expense	59M	18M	23M	7M	(20M)





# WALGREENS BOOTS ALLIANCE – SEGMENT STRUCTURE



## WALGREENS BOOTS ALLIANCE – RETAIL PHARMACY USA DIVISION

Our Retail Pharmacy USA Division's principal retail pharmacy brands are Walgreens and Duane Reade. Together, they form one of the largest drugstore chains in the U.S., operating 8,100\* drugstores in 50\* states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. As of August 2017, approximately 76 percent of the population of the U.S. lives within five miles of a Walgreens or Duane Reade.

We sell prescription and non-prescription drugs, as well as general merchandise, including household items, convenience and fresh foods, personal care, beauty care, photofinishing and candy. We offer our products and services through drugstores, as well as through mail, telephone and online. We also provide specialty pharmacy and respiratory services, and operate retail clinics.

Our services help improve health outcomes for patients and manage costs for payers including employers, managed care organizations, health systems, pharmacy benefit managers and the public sector. Our stores sell branded and own brand general merchandise. In addition, Walgreens has approximately 400 in-store clinic locations throughout the U.S., some of which are operated by the Company and some of which are operated by health system partners.

Prescription drugs account for 69 percent† of sales, while retail products are 31 percent.

Overall, we filled approximately 764 million† prescriptions in fiscal 2017. Adjusted to 30-day equivalents, we filled approximately 990 million prescriptions in fiscal 2017. Third party sales, where reimbursement is received from managed care organizations, government and private insurance, were approximately 98 percent† of prescription sales.

We utilize our extensive retail network as a channel to provide affordable

quality health and wellness services to our customers and patients, as illustrated by our ability to play a significant role in providing flu vaccines and other immunizations.



We have more than 78,000\* healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners and other health related professionals. Through them we expect to continue to play a growing role in government and employer efforts to control escalating healthcare costs.

Our loyalty program, Balance® Rewards, is designed to reward our most valuable customers and encourage shopping in stores and online and allows customers the opportunity to earn points for purchasing select merchandise in addition to receiving special pricing on select products when shopping with a rewards card. Customers have the ability to instantly redeem rewards at our stores or through Walgreens.com. We had 88 million Balance® Rewards active members as of August 2017.

The Division's strategy is designed to further transform our traditional drugstore by offering ultimate convenience, driving the best customer loyalty and delivering extraordinary customer and patient care.

We seek to expand our product and service offerings across new channels and markets where, in addition to our stores, customers and patients can utilize our health system pharmacies, Walgreens.com, mobile applications and social media sites.

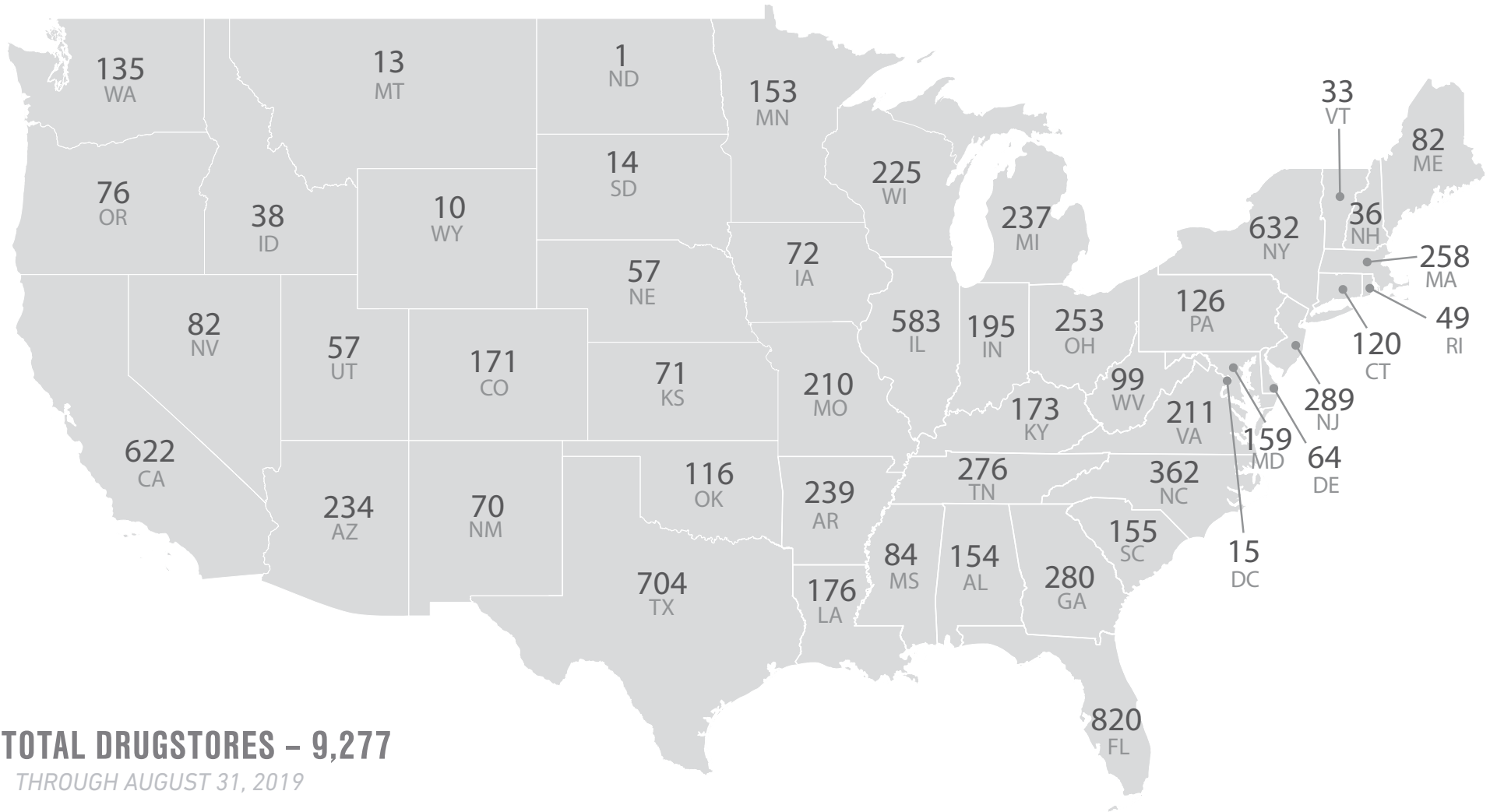
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# WALGREENS DRUGSTORES NATIONWIDE BY STATE



**TOTAL DRUGSTORES – 9,277**

THROUGH AUGUST 31, 2019

Includes all 50 states, the District of Columbia, Puerto Rico and U.S. Virgin Islands

Note: Approximately 400 Walgreens stores offer Healthcare Clinic or other provider retail clinic services.

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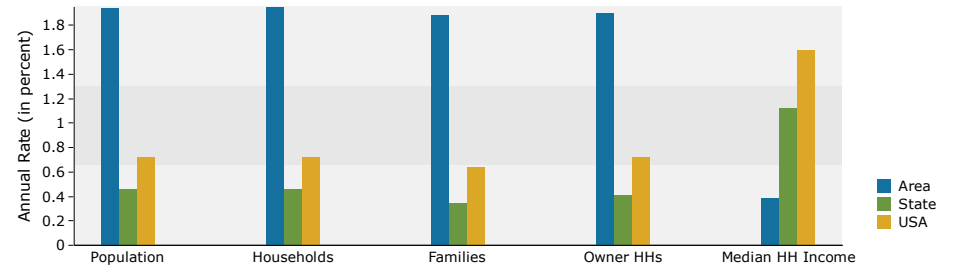
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# 1-Mile DEMOGRAPHICS

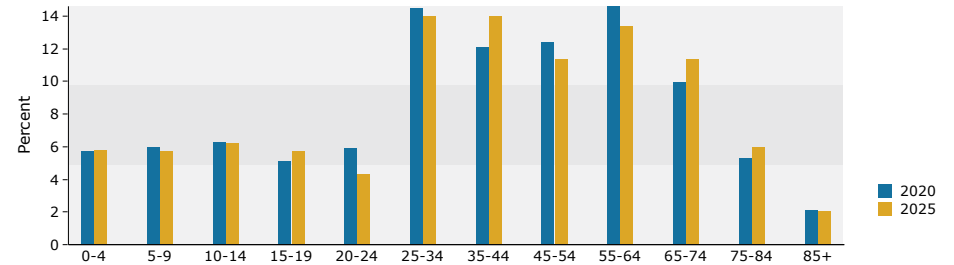
Summary		Census 2010		2020		2025	
Population		1,118		1,825		2,009	
Households		408		671		739	
Families		301		482		529	
Average Household Size		2.74		2.72		2.72	
Owner Occupied Housing Units		324		557		612	
Renter Occupied Housing Units		84		113		127	
Median Age		39.6		40.2		40.4	
Trends: 2020-2025 Annual Rate		Area		State		National	
Population		1.94%		0.46%		0.72%	
Households		1.95%		0.46%		0.72%	
Families		1.88%		0.35%		0.64%	
Owner HHs		1.90%		0.41%		0.72%	
Median Household Income		0.38%		1.12%		1.60%	
Households by Income				2020		2025	
				Number	Percent	Number	Percent
<\$15,000				71	10.6%	73	9.9%
\$15,000 - \$24,999				29	4.3%	30	4.1%
\$25,000 - \$34,999				28	4.2%	30	4.1%
\$35,000 - \$49,999				64	9.5%	69	9.3%
\$50,000 - \$74,999				127	18.9%	140	18.9%
\$75,000 - \$99,999				113	16.8%	123	16.6%
\$100,000 - \$149,999				153	22.8%	172	23.3%
\$150,000 - \$199,999				55	8.2%	66	8.9%
\$200,000+				31	4.6%	35	4.7%
Median Household Income				\$77,724		\$79,210	
Average Household Income				\$90,379		\$95,857	
Per Capita Income				\$34,054		\$36,098	
		Census 2010		2020		2025	
Population by Age		Number	Percent	Number	Percent	Number	Percent
0 - 4		72	6.4%	104	5.7%	117	5.8%
5 - 9		63	5.6%	110	6.0%	115	5.7%
10 - 14		86	7.7%	114	6.3%	124	6.2%
15 - 19		78	7.0%	93	5.1%	114	5.7%
20 - 24		73	6.5%	108	5.9%	87	4.3%
25 - 34		128	11.5%	265	14.5%	282	14.0%
35 - 44		141	12.6%	220	12.1%	281	14.0%
45 - 54		186	16.7%	226	12.4%	229	11.4%
55 - 64		135	12.1%	267	14.6%	269	13.4%
65 - 74		86	7.7%	181	9.9%	230	11.4%
75 - 84		50	4.5%	97	5.3%	121	6.0%
85+		19	1.7%	38	2.1%	40	2.0%
		Census 2010		2020		2025	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
White Alone		1,096	98.0%	1,776	97.4%	1,946	96.9%
Black Alone		5	0.4%	12	0.7%	17	0.8%
American Indian Alone		1	0.1%	1	0.1%	1	0.0%
Asian Alone		3	0.3%	6	0.3%	7	0.3%
Pacific Islander Alone		0	0.0%	0	0.0%	0	0.0%
Some Other Race Alone		3	0.3%	6	0.3%	8	0.4%
Two or More Races		10	0.9%	23	1.3%	30	1.5%
Hispanic Origin (Any Race)		14	1.3%	36	2.0%	46	2.3%

Notes: Totals are expressed in nearest dollars

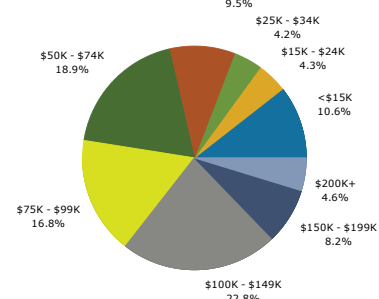
Trends 2020-2025



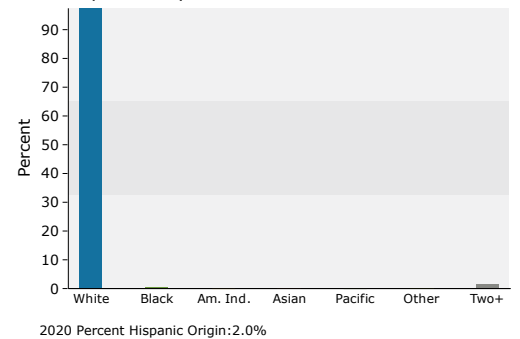
Population by Age



2020 Household Income



2020 Population by Race



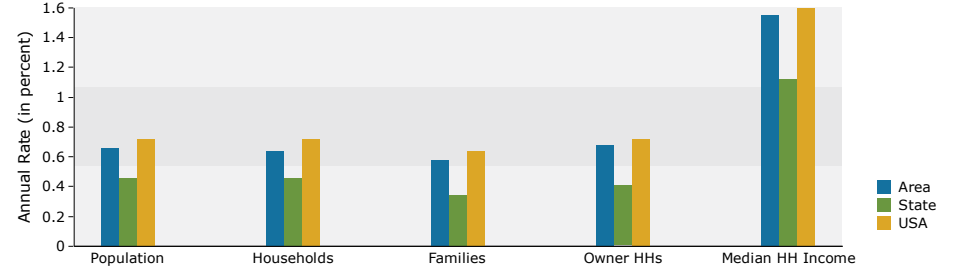


# 3-Mile DEMOGRAPHICS

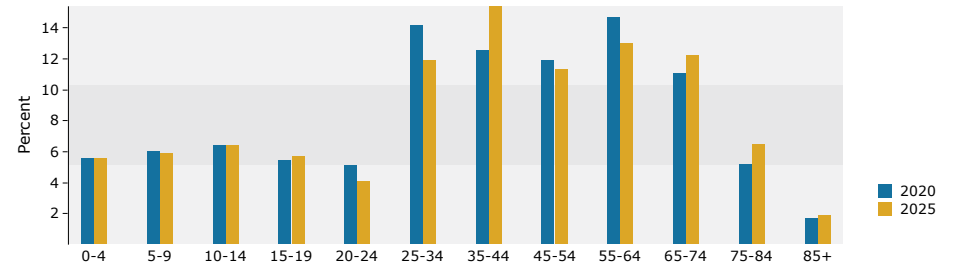
Summary		Census 2010		2020		2025	
Population		13,706		14,968		15,470	
Households		5,284		5,750		5,937	
Families		3,815		4,097		4,217	
Average Household Size		2.59		2.60		2.60	
Owner Occupied Housing Units		4,280		4,877		5,046	
Renter Occupied Housing Units		1,004		873		891	
Median Age		39.7		40.5		41.3	
Trends: 2020-2025 Annual Rate		Area		State		National	
Population		0.66%		0.46%		0.72%	
Households		0.64%		0.46%		0.72%	
Families		0.58%		0.35%		0.64%	
Owner HHs		0.68%		0.41%		0.72%	
Median Household Income		1.55%		1.12%		1.60%	
Households by Income				2020		2025	
				Number	Percent	Number	Percent
<\$15,000				607	10.6%	562	9.5%
\$15,000 - \$24,999				273	4.7%	255	4.3%
\$25,000 - \$34,999				256	4.5%	239	4.0%
\$35,000 - \$49,999				608	10.6%	575	9.7%
\$50,000 - \$74,999				1,037	18.0%	1,020	17.2%
\$75,000 - \$99,999				771	13.4%	779	13.1%
\$100,000 - \$149,999				1,442	25.1%	1,589	26.8%
\$150,000 - \$199,999				541	9.4%	663	11.2%
\$200,000+				217	3.8%	254	4.3%
Median Household Income				\$77,371		\$83,541	
Average Household Income				\$89,005		\$97,769	
Per Capita Income				\$34,010		\$37,304	
		Census 2010		2020		2025	
Population by Age		Number	Percent	Number	Percent	Number	Percent
0 - 4		856	6.2%	843	5.6%	869	5.6%
5 - 9		839	6.1%	902	6.0%	905	5.9%
10 - 14		986	7.2%	956	6.4%	989	6.4%
15 - 19		897	6.5%	801	5.4%	889	5.7%
20 - 24		900	6.6%	760	5.1%	637	4.1%
25 - 34		1,624	11.8%	2,125	14.2%	1,848	11.9%
35 - 44		1,712	12.5%	1,888	12.6%	2,389	15.4%
45 - 54		2,247	16.4%	1,785	11.9%	1,748	11.3%
55 - 64		1,852	13.5%	2,203	14.7%	2,004	13.0%
65 - 74		1,062	7.7%	1,660	11.1%	1,882	12.2%
75 - 84		576	4.2%	785	5.2%	1,012	6.5%
85+		157	1.1%	261	1.7%	295	1.9%
		Census 2010		2020		2025	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
White Alone		13,334	97.3%	14,437	96.4%	14,829	95.9%
Black Alone		82	0.6%	115	0.8%	136	0.9%
American Indian Alone		17	0.1%	21	0.1%	23	0.1%
Asian Alone		105	0.8%	160	1.1%	194	1.3%
Pacific Islander Alone		0	0.0%	1	0.0%	1	0.0%
Some Other Race Alone		38	0.3%	52	0.3%	63	0.4%
Two or More Races		129	0.9%	183	1.2%	223	1.4%
Hispanic Origin (Any Race)		128	0.9%	201	1.3%	253	1.6%

Notes: Totals are expressed in current dollars

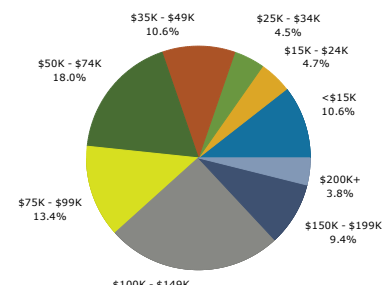
Trends 2020-2025



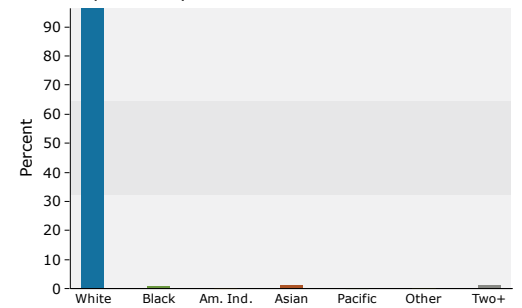
Population by Age



2020 Household Income



2020 Population by Race



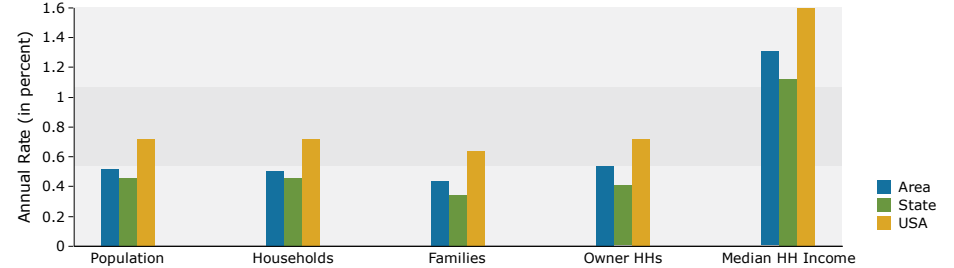
2020 Percent Hispanic Origin: 1.3%

# 5-Mile DEMOGRAPHICS

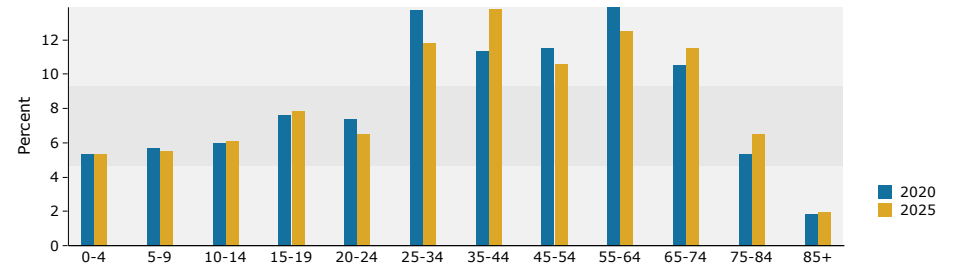
Summary		Census 2010		2020		2025	
Population		36,032		38,872		39,897	
Households		13,617		14,598		14,974	
Families		9,338		9,867		10,088	
Average Household Size		2.53		2.54		2.55	
Owner Occupied Housing Units		10,760		12,128		12,462	
Renter Occupied Housing Units		2,857		2,470		2,512	
Median Age		37.6		38.5		39.5	
Trends: 2020-2025 Annual Rate		Area		State		National	
Population		0.52%		0.46%		0.72%	
Households		0.51%		0.46%		0.72%	
Families		0.44%		0.35%		0.64%	
Owner HHs		0.54%		0.41%		0.72%	
Median Household Income		1.31%		1.12%		1.60%	
Households by Income				2020		2025	
				Number	Percent	Number	Percent
<\$15,000				1,494	10.2%	1,398	9.3%
\$15,000 - \$24,999				841	5.8%	777	5.2%
\$25,000 - \$34,999				902	6.2%	844	5.6%
\$35,000 - \$49,999				1,712	11.7%	1,644	11.0%
\$50,000 - \$74,999				2,381	16.3%	2,356	15.7%
\$75,000 - \$99,999				1,999	13.7%	2,029	13.6%
\$100,000 - \$149,999				3,573	24.5%	3,910	26.1%
\$150,000 - \$199,999				1,122	7.7%	1,367	9.1%
\$200,000+				575	3.9%	648	4.3%
Median Household Income				\$74,552		\$79,572	
Average Household Income				\$86,955		\$94,980	
Per Capita Income				\$33,243		\$36,221	
		Census 2010		2020		2025	
Population by Age		Number	Percent	Number	Percent	Number	Percent
0 - 4		2,149	6.0%	2,068	5.3%	2,131	5.3%
5 - 9		2,084	5.8%	2,211	5.7%	2,210	5.5%
10 - 14		2,347	6.5%	2,316	6.0%	2,422	6.1%
15 - 19		3,104	8.6%	2,962	7.6%	3,128	7.8%
20 - 24		3,108	8.6%	2,869	7.4%	2,609	6.5%
25 - 34		4,219	11.7%	5,315	13.7%	4,718	11.8%
35 - 44		4,239	11.8%	4,406	11.3%	5,498	13.8%
45 - 54		5,457	15.1%	4,480	11.5%	4,227	10.6%
55 - 64		4,583	12.7%	5,395	13.9%	4,969	12.5%
65 - 74		2,649	7.4%	4,101	10.5%	4,606	11.5%
75 - 84		1,608	4.5%	2,052	5.3%	2,602	6.5%
85+		485	1.3%	698	1.8%	777	1.9%
		Census 2010		2020		2025	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
White Alone		34,637	96.1%	36,943	95.0%	37,621	94.3%
Black Alone		531	1.5%	702	1.8%	800	2.0%
American Indian Alone		47	0.1%	58	0.1%	62	0.2%
Asian Alone		335	0.9%	504	1.3%	611	1.5%
Pacific Islander Alone		4	0.0%	7	0.0%	9	0.0%
Some Other Race Alone		97	0.3%	128	0.3%	155	0.4%
Two or More Races		381	1.1%	531	1.4%	639	1.6%
Hispanic Origin (Any Race)		315	0.9%	496	1.3%	624	1.6%

- \*Note: Totals are expressed in nearest dollars

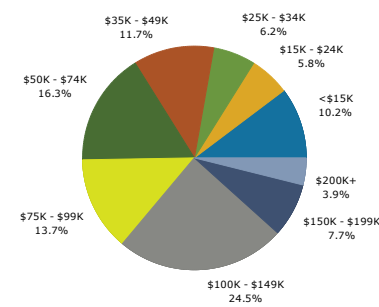
Trends 2020-2025



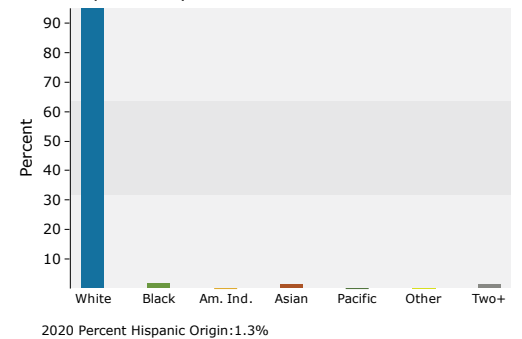
Population by Age



2020 Household Income



2020 Population by Race





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