



WALGREENS

3611 Groometown Road | Greensboro, NC 27407

OFFERING MEMORANDUM

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REAL ESTATE INVESTMENT SERVICES



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Walgreens

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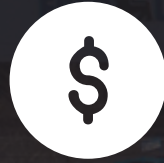
EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

- **Essential Retailer and E-Commerce Resistant Tenant** - As an e-commerce resistant concept and essential retailer, Walgreens is an ideal tenant to own in through all cycles of the economy. The government deemed Walgreens an essential business in March when countless other retailers were ordered to shut their doors. Walgreens experienced a 26% surge in sales in March 2020 and continues to exceed expectations.
- **Prototype Walgreens Pharmaceutical building** with a drive-thru pharmacy located at a signalized intersection.
- **Rare Rental Increases in Option Periods:** Rent increases in each option period, which is rare for drugstore investments and will hedge against inflation.
- **Ranked among the best places to live in the U.S. in 2019** by U.S. News and World Report - Part of the Piedmont Triad, a fast-growing region of N.C. comprising 12 counties and 1.7 million people
- **Located in a densely populated area over 127,000 people** within a 5-mile radius.



FINANCIAL OVERVIEW



\$2,717,866

LIST PRICE



\$203,840

NOI



±1 YEAR

LEASE TERM

BUILDING INFO

Address	3611 Groometown Road Greensboro, NC 27407
Suggested List Price	\$2,717,866
GLA	±11,200 SF
Cap Rate	7.50%
Year Built	1997
Lot Size	±1.44 Acres

TENANT SUMMARY

Tenant Trade Name	Walgreens
Type of Ownership	Fee-Simple
Lease Guarantor	Corporate
Lease Type	NN
Roof and Structure	Landlord
Parking Lot	Tenant
Lease Commencement Date	3/8/17
Lease Expiration Date	3/9/22
Term Remaining on Lease	±1 Year
Options	3x5-year

ANNUALIZED OPERATING DATA

Date	Monthly Rent	Annual Rent	Increases	Cap Rate
Current - 03/10/2022	\$16,986.66	\$203,840.00	2.82%	7.50%
Second Five Year Option Period	\$17,453.33	\$209,440.00	2.75%	7.71%
Third Five Year Option Period	\$17,920.00	\$215,040.00	2.67%	7.91%
Fourth Five Year Option Period	\$18,386.67	\$220,640.00	2.60%	8.12%

FINANCING

For financing information, please contact
a Matthews™ Capital Markets Agent:

Jesse Lillard
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TENANT OVERVIEW



COMPANY NAME

Walgreens

OWNERSHIP

Public

YEAR FOUNDED

1901

INDUSTRY

Drug Store

HEADQUARTERS

Deerfield, IL

NO. OF EMPLOYEES

±253,400

TENANT OVERVIEW

The nation's #1 drugstore chain, Walgreens, operates close to 8,300 stores in all 50 US states, the District of Columbia, the Virgin Islands and Puerto Rico. Prescription drugs are the focus of the company as they account for close to two-thirds of sales; the rest comes from general merchandise, over-the-counter medications, cosmetics and groceries. Most locations offer drive-through pharmacies and one-hour photo processing, which separates them from competition. Recently, Walgreen Co. fully acquired Alliance Boots, Europe's leading drug wholesaler, to create Walgreens Boots Alliance, of which it is a subsidiary.

WALGREENS HEALTH FOCUS

Walgreens' overall value proposition differentiates it from competitors in valuable ways. Specifically, a focus on health gives Walgreens a competitive advantage over other pharmacies. By putting health at the forefront of all aspect of the business and reducing customers' shopping time, Walgreens has achieved placement in a league of its own as competition aims their focus on things such as convenience, design, or low prices.

MARKETING STRATEGY

Walgreens focuses on customer need and satisfaction. For example, the curbside pick-up service stemmed from the needs of working mothers who don't have the time to go into the store and shop. Creating loyalty amongst patrons is a priority for the company as it keeps them coming back and spending money.

DOWNTOWN GREENSBORO

Total Wine & MORE

FOUR SEASONS TOWN CENTER
SHOPPING CENTER
AMERICAN EAGLE
ALDO
JCPenney
Dillard's
RACK ROOM SHOES
KOURY
SHERATON CONVENTION CENTER



± 48,000 VPD

studio 6
extended stay
TOWNEPLACE SUITES®
BY MARRIOTT
Howard Johnson®
BY WYNDHAM
BW | Best Western.
Hotels & Resorts

 **Greensboro Coliseum Complex**

HESTER PARK
FOOTBALL FIELDS

 **UNC GREENSBORO**
Find your way here

FOOD LION

New York Style
Pizzas & Subs
ELIZABETH'S PIZZA
Italian Restaurant and Pizzeria

Walgreens

SEDFIELD
SHOW GROUNDS

GROOMETOWN RD
± 11,000 VPD

WAYNE RD

Advance
Auto Parts

AutoZone

UNITED STATES
POSTAL SERVICE
NATIONAL DISTRIBUTION CENTER

SEDGEFIELD CROSSING'S
SHOPPING CENTER
FAMILY DOLLAR
UNITED STATES
POSTAL SERVICE

American
LIFESTYLE FURNITURE

ROSES
HARBOR FREIGHT
TOOLS FOR SCHOOLS

FOUR SEASONS TOWN CENTER
SHOPPING CENTER

AMERICAN EAGLE
ALDO
JCPenney
Dillard's
RACK ROOM SHOES
KOURY
SILVERTON CONVENTION
CENTER

WENDOVER VILLAGE
SHOPPING CENTER
Costco
WHOLESALE
five BELOW



± 48,000 VPD

Walmart
Supercenter

DOLLAR GENERAL

HESTER PARK
FOOTBALL FIELDS

WENDOVER PLACE
SHOPPING CENTER
Michael's
DICK'S
SPORTING GOODS
TARGET

THE HOME DEPOT
HOBBY LOBBY
Super Savings. Super Selection!
DOLLAR TREE

ELIZABETH'S PIZZA
New York Style
Pizzas & Subs
Italian Restaurants
and Pizzeria

FOOD LION

GROOMETOWN RD
± 11,000 VPD

Walgreens

WAYNE RD

AREA OVERVIEW



| GREENSBORO, NC

With a population of over 291,000 residents, Greensboro is North Carolina's third-largest metro area. It is the county seat of Guilford County. Greensboro is the largest city in the Piedmont Triad (which also includes Winston-Salem and High Point) and is nicknamed the "Gate City" for good reason: It is a short jaunt to and from all the major cities in North Carolina. Spend a day in the Blue Ridge Mountains to the west or head east for a beach weekend.

There is no shortage of arts, entertainment, recreation, shopping, and restaurants to keep locals busy. Greensboro is home to the region's largest hospital, and it boasts 170 well-kept public parks and gardens. A broad range of neighborhoods offers a diverse array of homes to satisfy different tastes. Despite being a major metropolitan area, Greensboro has a strong sense of community and displays southern hospitality.

DEMOGRAPHICS

POPULATION	1-MILE	3-MILE	5-MILE
2025 Projection	5,417	57,660	146,826
2020 Estimate	5,269	55,468	141,479
2010 Census	5,417	57,660	146,826
HOUSEHOLDS	1-MILE	3-MILE	5-MILE
2025 Projection	2,130	23,087	60,073
2020 Estimate	2,072	22,202	57,847
2010 Census	2,003	19,996	52,531
INCOME	1-MILE	3-MILE	5-MILE
Avg Household Income	\$88,387	\$65,549	\$66,066

| ECONOMY - THE PIEDMONT TRIAD

The Piedmont Triad is located in the southeastern US, in the central part of North Carolina. It is located halfway between New York and Florida and halfway between Washington DC and Atlanta GA. It serves over 1.6 million people. Twelve counties and 62 municipalities comprise the Piedmont Triad Regional Council.

The Piedmont is the area lying between the Atlantic Ocean and the Appalachian Mountains. The Triad is named for the three largest cities in the region: Greensboro, Winston-Salem, and High Point. The region boasts excellent transportation and educational facilities, making the region a hub for commerce along the mid-Atlantic region. There are approximately 900,000 jobs in the Piedmont Triad. Among the 12,000 miles of roadways in the region are Interstates 40 and 85 which bisect the region east to west and Interstate 77 running north/south. Two new interstates, I-73 and I-74, are already completed in most areas and under construction in others.

Piedmont Triad International Airport is located in the center of the region. The Piedmont Triad International Airport is served by 5 major airlines that fly non-stop to 14 domestic destinations. The airport has attracted many aerospace companies to the area such as Collins Aerospace, HondaAero, and Triumph Aerospace. There are 8 other airports that handle both commuter and corporate aircraft. There are 13 colleges and universities in the region with a total enrollment exceeding 60,000. In addition, 9 technical and community colleges serve an additional 50,000 students. The region's economy has historically been tied to textiles, furniture, and tobacco, but new growth industries are emerging rapidly, including distribution, logistics, biotechnology, and aviation & aerospace.



ECONOMIC DEVELOPMENTS

UNION SQUARE CAMPUS:

Located on the intersection of South Elm Street and Gate City Boulevard in Greensboro, the Union Square Campus is a mixed-use development where a seven-level parking garage, 248 housing units, and 2,000 square feet of commercial space are planned on being built. The completion of the development will benefit the community in the South Elm area as it will provide affordable housing and a variety of commercial amenities.



PUBLIX DISTRIBUTION CENTER EXPANSION:

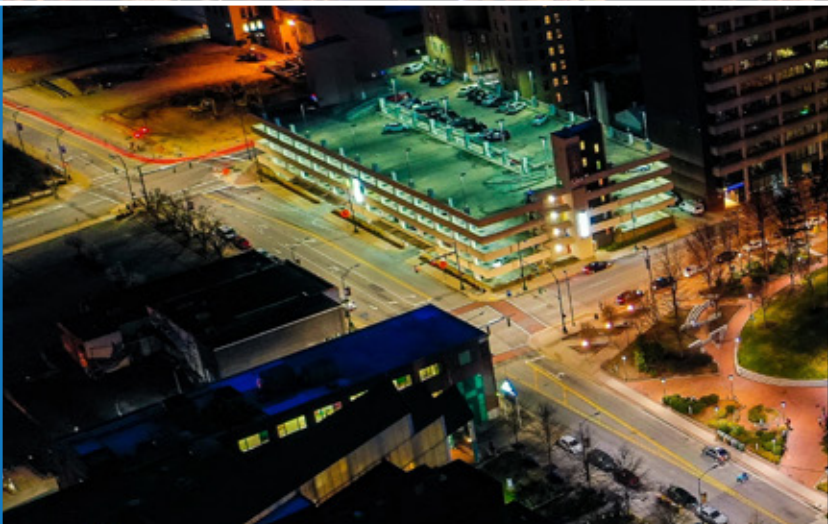
Publix, a supermarket company, is already planning on expanding its distribution center that is currently under construction in Greensboro. The dry grocery warehouse will have an additional 1.2 million square feet of space. The entire distribution warehouse will be completed by late 2022 and will be the largest distribution center in the area. The development will add 1,000 new jobs to Greensboro with an average salary of about \$45,000.





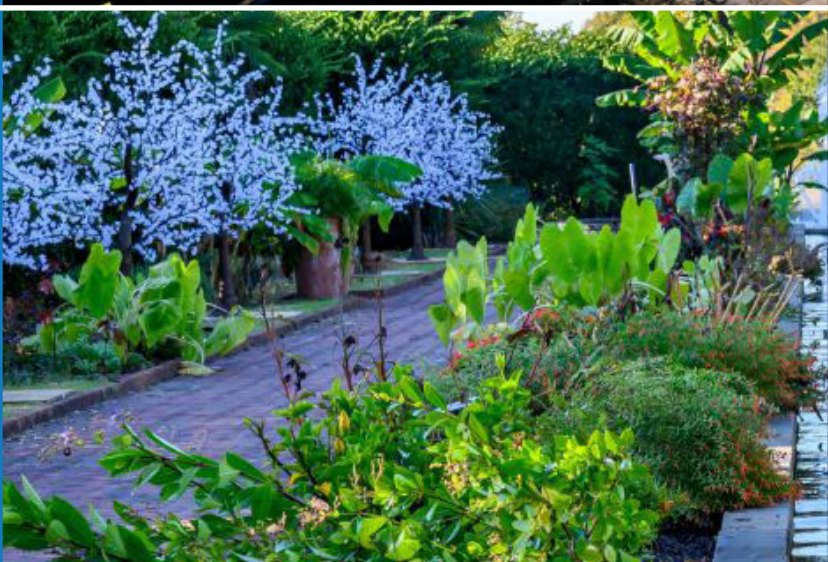
GREENSBORO COLISEUM COMPLEX

The Greensboro Coliseum Complex is a multi-building facility that is designed to entertain Greensboro residents with over 1,100 events that occur annually. Events include concerts, sports tournaments, educational activities, and many more. With 8 venues and 22,000 seating, it is a major economic generator for the city of Greensboro. The facility also includes a Special Events Center with three exhibition halls, a 4,500-seat mini-arena, eight meeting rooms, the 300-seat Odeon Theatre, The Terrace, White Oak Amphitheatre, Greensboro Aquatic Center, ACC Hall of Champions, and The Fieldhouse.



DOWNTOWN GREENSBORO

Located at the heart of the city, Downtown Greensboro is a vibrant and historic attraction filled with local shops, impressive restaurants and breweries, affordable hotels, a variety of health and wellness services, museums, art galleries, and beautiful parks. There is something for everyone in this major entertainment hub.



TANGER FAMILY BICENTENNIAL GARDEN

The Tanger Family Bicentennial Garden is a 7.5-acre garden known for its artistic and historical sculptures, variety of flora, and breathtaking views. The garden has a man-made circulating stream that provides relaxing sounds throughout the park. The garden also has a gazebo, which is a popular site for weddings and a variety of other events.

UNIVERSITY OF NORTH CAROLINA AT GREENSBORO

Located west of Downtown Greensboro, the University of North Carolina at Greensboro is part of the University of North Carolina system. Established in 1891, UNC Greensboro is one of the original three UNC System institutions. Over 125 programs are offered across the university's 6 schools and colleges. Popular majors include economics, elementary education, and health studies. The university is one of the most diverse universities in the state with over 20,000 students in attendance. UNC Greensboro has a remarkable impact as it generates an annual economic impact of more than \$1 billion to the Greensboro area.



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **3611 Groometown Road, Greensboro, NC 27407** (“Property”). The Offering Memorandum may not be all-inclusive or contain all of the information a prospective purchaser may desire. The information contained in this Offering Memorandum is confidential and furnished solely for the purpose of a review by a prospective purchaser of the Property. It is not to be used for any other purpose or made available to any other person without the written consent of Seller or Matthews Real Estate Investment Services. The material and information in the Offering Memorandum is unverified. Matthews Real Estate Investment Services has not made any investigation, and makes no warranty or representation, with respect to square footage, income and expenses, the future financial performance of the property, future rent, and real estate value market conditions, the condition or financial prospects of any tenant, or the tenants’ plans or intentions to continue to occupy space at the property. All prospective purchasers should conduct their own thorough due diligence investigation of each of these areas with the assistance of their accounting, construction, and legal professionals, and seek expert opinions regarding volatile market conditions given the unpredictable changes resulting from the continuing COVID-19 pandemic. The information is based in part upon information supplied by the Owner and in part upon financial information obtained from sources the Owner deems reliable. Owner, nor their officers, employees, or real estate agents make any representation or warranty, express or implied, as to the accuracy or completeness of this Offering Memorandum, or any of its content, and no legal liability is assumed or shall be implied with respect thereto. Prospective purchasers should make their own projections and form their own conclusions without reliance upon the material contained herein.

By acknowledging your receipt of this Offering Memorandum for the Property, you agree:

1. The Offering Memorandum and its contents are confidential;
2. You will hold it and treat it in the strictest of confidence; and
3. You will not, directly or indirectly, disclose or permit anyone else to disclose this Offering Memorandum or its contents in any fashion or manner detrimental to the interest of the Seller.

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If you wish not to pursue negotiations leading to the acquisition of the Property or in the future you discontinue such negotiations, then you agree to purge all materials relating to this Property including this Offering Memorandum.

A prospective purchaser’s sole and exclusive rights with respect to this prospective transaction, the Property, or information provided herein or in connection with the sale of the Property shall be limited to those expressly provided in an executed Purchase Agreement and shall be subject to the terms thereof. In no event shall a prospective purchaser have any other claims against Seller or Matthews Real Estate Investment Services or any of their affiliates or any of their respective officers, Directors, shareholders, owners, employees, or agents for any damages, liability, or causes of action relating to this solicitation process or the marketing or sale of the Property.

This Offering Memorandum shall not be deemed to represent the state of affairs of the Property or constitute an indication that there has been no change in the state of affairs of the Property since the date this Offering Memorandum.

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