



Walgreens

HOMERVILLE, GA

OFFERING MEMORANDUM

LISTED BY



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EXECUTIVE OVERVIEW



INVESTMENT HIGHLIGHTS

- **Bite-Size Deal With Cheap Rent:** Incredibly cheap price-point for a drug store. Walgreens is only paying \$11.50 PSF!
- **Only Drug Store in the Market:** Walgreens is the only drugstore in the market and has no competition. The closest Walgreens is 29 miles from this location.
- **Recent Lease Extension with Increasing Store Sales:** In 2016 Walgreens exercised two 5-year options, extending the lease 10 years. Since 2016, Walgreens has had sales growth of over 15% at this location.
- **Rare 26%+ Rental Increase in 2026:** Rent increases in each option period, which is rare for drugstore investments and will hedge against inflation
- **25+ Year Operating History:** Walgreens has been at this location for over 25 years, and extended the lease for an additional 10-years in 2016, which shows a strong commitment to the location
- **Located On a Signalized Hard Corner**
- **Investment Grade, Convenience Oriented Tenant:** Baa2/BBB







\$1,845,257
LIST PRICE



\$129,168
NOI



±0.92 AC
LOT SIZE



7.00%
CAP RATE

BUILDING INFO

Address	191 North Church Street Homerville, GA 31634
GLA of Building	±11,216 SF
Year Built	1995

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	12/19/95
Lease Expiration Date	9/2/26
Term Remaining on Lease	±5.7 Years
Options	3x5-year

ANNUALIZED OPERATING DATA

Lease Commence	Monthly Rent	Annual Rent	Increases	Cap Rate
Current - September 2, 2026	\$11,568.33	\$129,168.00	N/A	7.00%
September 3, 2026 - September 2, 2031	\$13,595.25	\$163,143.00	26.30%	8.84%
September 3, 2031 - September 2, 2036	\$14,538.17	\$174,458.00	6.94%	9.45%
September 3, 2036 - September 2, 2041	\$15,482.75	\$185,793.00	6.50%	10.07%

DEBT QUOTE

LTV: 65.00%
RATE: 3.95%
AMORTIZATION: 25

JESSE LILLARD
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Loan quote provided by Matthews™ based on market conditions at this time. Actual rates and terms will vary based on market conditions at closing.

HOMERVILLE STATION

NO 11 TRAIN DEPOT

DOLLAR GENERAL

CLINCH COUNTY

CLERK COUNTY OF COURT

JERRYJ'S
COUNTRY CAFE



Heritage
BANK

MERLE NORMAN
cosmetics

SUBWAY


CORK & BARREL
SPIRIT MERCHANTS

Walgreens

PEACH ST

C CLINCH COUNTY
HIGH SCHOOL



Walgreens

PEACH ST





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 9,200 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

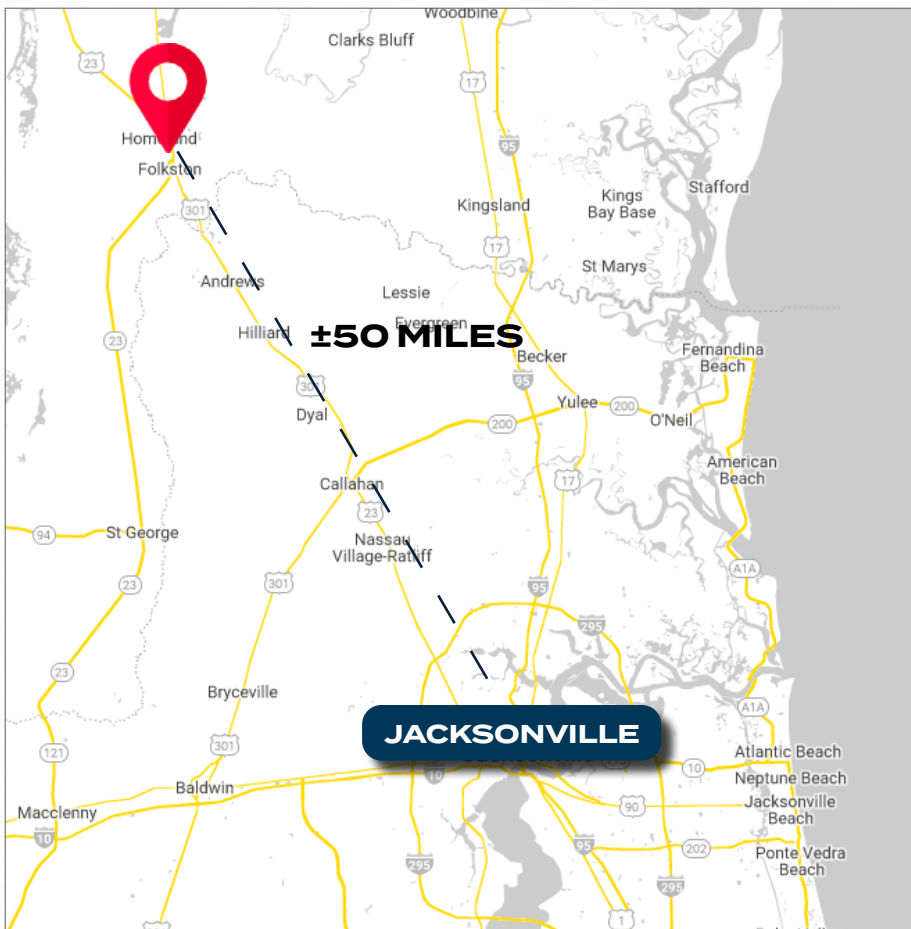
Walgreens focuses on customer need and satisfaction. For example, the curbside pick-up service stemmed from the needs of working mothers who don't have the time to go into the store and shop. Creating loyalty amongst patrons is a priority for the company as it keeps them coming back and spending money.

A detailed map of Jacksonville, Florida, and its surrounding areas. A red location pin with the 'Walgreens' logo is placed in the upper left quadrant, indicating the store's location at 12950 Highway 17, NE. The map shows major highways such as I-95, I-10, and US-17. Key geographical features include the Okefenokee National Wildlife Refuge to the north and Goethe State Forest to the south. Other cities and towns visible include Gainesville, Ocala, and Palm Bay. The map also shows the Atlantic Ocean and several islands in the St. Johns River.

JACKSONVILLE, FL

Jacksonville is a large commercial and financial center with the most “northern” feel among large cities in Florida. Modern skyscrapers line a well-defined downtown and waterfront area, and the city spreads in all directions and especially south and west from there. Jacksonville is the most populous city in Florida and the largest city by area in the contiguous United States. Jacksonville has an estimated population of 890,000 residents. Jacksonville is in the First Coast region of northeast Florida and is centered on the banks of the St. Johns River, about 25 miles south of the Georgia State line. The Jacksonville Beaches communities are along the adjacent Atlantic coast.

JACKSONVILLE IS THE LARGEST CITY IN THE CONTINENTAL UNITED STATES WITH OVER 840 SQUARE MILES.



GROWTH

BOEING EXPANSION

Boeing, one of the world's largest aerospace companies, plans to expand its existing maintenance, repair, and overhaul (MRO) operations in Jacksonville. The company will be signing a 25-year lease agreement with the Jacksonville Aviation Authority (JAA) in order to grow its operations on the Cecil Field site. The expansion will feature nearly 270,000 square feet of hangar space and over 100,000 square feet of office and shop space. Construction is set to begin in fall 2021 and is estimated to be completed by January 2024. The expansion is set to create 400 additional jobs.

AMAZON EXPANSION

Amazon plans to expand its operations in Jacksonville with the creation of a new fulfillment center. The one million square feet fulfillment center is going to be constructed in Imeson Park and will fulfill apparel, accessories, and footwear orders. The fulfillment center is set to be up and running by the fall of 2021. The expansion is estimated to create 600 new full-time jobs.

ECONOMY

The Jacksonville economy is diverse, with an assortment of banking and financial institutions, a bustling port, and 27 corporate headquarters of companies like Adecco Group North America, Advanced Disposal, Allstate, Beaver Street Fisheries Inc., and Black Knight Financial Services. The city flourishes in the e-commerce and aerospace industry. According to JaxUSA.org, 13 e-commerce companies have been introduced in the region throughout the years, with a total investment of over \$3.3 billion in infrastructure and the creation of an additional 18,000 jobs. These companies include Amazon, Wayfair, Article, Ulta, and Fanatics. According to JaxUSA.org, Jacksonville has cutting-edge infrastructure to support aerospace projects. Aerospace companies are able to find highly skilled workers in the area due to the local military units and the aviation operations of the Department of Homeland Security in the region. Aerospace companies in the area include Northrop Grumman, Boeing, and many more.

Jacksonville's location on the St. Johns River and the Atlantic Ocean proved providential in the growth of the city and its industry. Harbor improvements since the late 19th century have made Jacksonville a major military and civilian deep-water port. Its riverine location facilitates two United States Navy bases and the Port of Jacksonville, Florida's third largest seaport. The two US Navy bases, Blount Island Command and the nearby Naval Submarine Base Kings Bay form the third largest military presence in the United States.





JACKSONVILLE ZOO & GARDENS

Jacksonville Zoo & Gardens features over 2,400 exotic animals and 1,000 varieties of plants. Featured animals include giraffes, otters, lorikeets, tigers, jaguars, and manatees. The facility has supported wildlife conservation on a riverfront landscape since 1914.



TALBOT ISLAND STATE PARK

Little Talbot Island is a 5 mile stretch of shoreline and maritime forest. The park is teeming with wildlife and greenery. It is a popular spot for fishing enthusiasts, avid bird watchers, and beachgoers.



ST JOHNS TOWN CENTER

The St. Johns Town Center is a 1.2 million square feet outdoor shopping center in Jacksonville. With over 175 retailers and over 20 restaurants, it is Jacksonville's shopping mecca. It features luxury stores such as Tiffany & Co. and large retailers such as Target. It also features 3 hotels.



TIAA BANK FIELD & JACKSONVILLE JAGUARS

Jacksonville is home to the Jacksonville Jaguars of the National Football League. The Jaguars are a member of AFC South and have won the division championship game in 2017. Beyond the football field, the TIAA Bank Field features sparkling pools, relaxing cabanas, the largest video boards in the world, state-of-the-art meeting spaces, local food spots, and artistic murals created by local artists.

UNIVERSITY OF NORTH FLORIDA

Founded in 1965, the University of North Florida is a public university in Jacksonville, about 10 miles west of the Atlantic coastline. As of Fall 2020, over 17,000 students attend the university. The university offers 60 bachelor's degree with 79 areas of concentration, 36 master's degrees with 71 areas of concentration, and five doctoral degrees with three areas of concentration, across 6 colleges. The UNF Ospreys participate in 7 men's sports and 10 women's sports. All varsity level sports teams play at the NCAA Division I level as a member of the Atlantic Sun Conference. The UNF Ospreys participate in the River City Rumble where it competes with the Jacksonville University Dolphins. UNF has an annual economic impact of nearly \$1 billion on the Jacksonville region.



10 MILES

West of the Atlantic Coastline



17,000

Students



60+

Bachelors degrees offered at the university



\$1B

Economic Impact on the Jacksonville region annually



CONFIDENTIALITY AGREEMENT & DISCLAIMER

This Offering Memorandum contains select information pertaining to the business and affairs of **Walgreens** located at **191 North Church Street, Homerville, GA 31634** ("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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Owner and Matthews Real Estate Investment Services expressly reserve the right, at their sole discretion, to reject any and all expressions of interest or offers to purchase the Property and to terminate discussions with any person or entity reviewing this Offering Memorandum or making an offer to purchase the Property unless and until a written agreement for the purchase and sale of the Property has been fully executed and delivered.

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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