

Offering Memorandum

HIGH VOLUME | TOP PERFORMING | WALGREENS | ABSOLUTE NNN LEASE

9148 S. COMMERCIAL AVENUE, CHICAGO, IL 60617

DENSE INFILL METRO LOCATION





INVESTMENT HIGHLIGHTS

PROPERTY CHARACTERISTICS

- Double Drive-Thru Pharmacy w/ 15,120 SF prototype building with upgraded Architectural Facade and all-brick Construction.
- +/- 1.05 Acre Double-Signalized Hard Corner Site.
- Pharmacy equipped with Medical Clinic and Patient Examination space.

LEASE & STORE OFFERING SUMMARY

- \$395,000 Base Rent, w /Flat Base Rent in perpetuity (including Options)
- ABSOLUTE NNN Lease with ZERO Landlord responsibilities.
- Walgreens renewed this lease as of March 31, 2021 with no request for rent reduction nor Landlord concessions, further confirming unit-level profitability and right-sized rent.
- Current Lease Expiration is 9/30/2026 (5 Years & 4 Months remaining until next 5 Year Option) 10 Additional 5-Year Renewal Options remaining.
- High Volume Store with reported sales nearly 40% above Walgreen's national average and positive trailing sales growth trend.
- Top performing store with Superior unit level performance and tenant-confirmed rent, offers certainty of future lease renewal probability.
- Subject Store offers expanded Refrigerated and Frozen Food Section, Fresh Produce, Snack and Grocery offerings for daily-needs oriented consumers.
- Subject Store sells Tobacco products, Beer and Wine. Sales of these items are not reported to the Landlord.
- Subject Store experiences a high-volume of EBT Sales Transactions. Sales paid via EBT are not reported to the Landlord.
- Midnight-Store with operating hours of 7AM 12PM.
- Estimated Annual Total Gross Store Sales Volume exceeding 8-Figures (including Rx).
 Call broker to discuss metrics.
- Property Sale subject to Walgreens ROFR with 10 Business-day Tenant notice period.

| Price | \$6,870,000 |
|---------------------|------------------------|
| Cap Rate | 5.75% |
| NOI | \$395,000 |
| Gross Leasable Area | 15,120 SF |
| Year Built | 2000 |
| Lot Size | 1.05 Acres +/- |
| Parcel Number | 26-06-402-024,25,26,37 |
| Type of Ownership | Fee Simple |
| Parking | 50 Surface Spaces +/- |
| | |

I FASE SUMMARY

| NNN |
|---------------------|
| Corporate Guarantee |
| Tenant |
| 55 Years Remaining |
| |
| |

| Lease Expiration* | 9/30/2026 |
|-------------------|--------------------|
| Options | 10, 5-Year options |
| | |

| Option to Purchase | Ye |
|--------------------|----|

^{*}Walgreens lease extends through 9/30/2076

RENT SCHEDULE

| Term | Changes On | Annual Rent | Rent/SF | |
|---|------------|-------------|---------|--|
| Base | Current | \$395,000 | \$26.12 | |
| Options 1-10 | See Note | \$395,000 | \$26.12 | |
| Notes: Tenant has right to terminate every five years after 9/30/2026 | | | | |



Lease





Near Metra Near
Station Interstate



One of the Largest Pharmacy Health Care Providers in the United States

8,100 Retail Locations in United States and U.S. Territories

■ \$4.078 Billion in Net Income in 2017

990 Million Prescriptions Filled Annually

■ Employing Over 235,000 People

Headquartered in Deerfield, Illinois | Founded in 1901

| Tenant | Walgreens |
|------------------------|-------------------------|
| Number of Locations | 8,100 |
| Stock Symbol Board | WBA NYSE |
| Credit Rating Agency | BBB Standard & Poor's |

walgreens.com

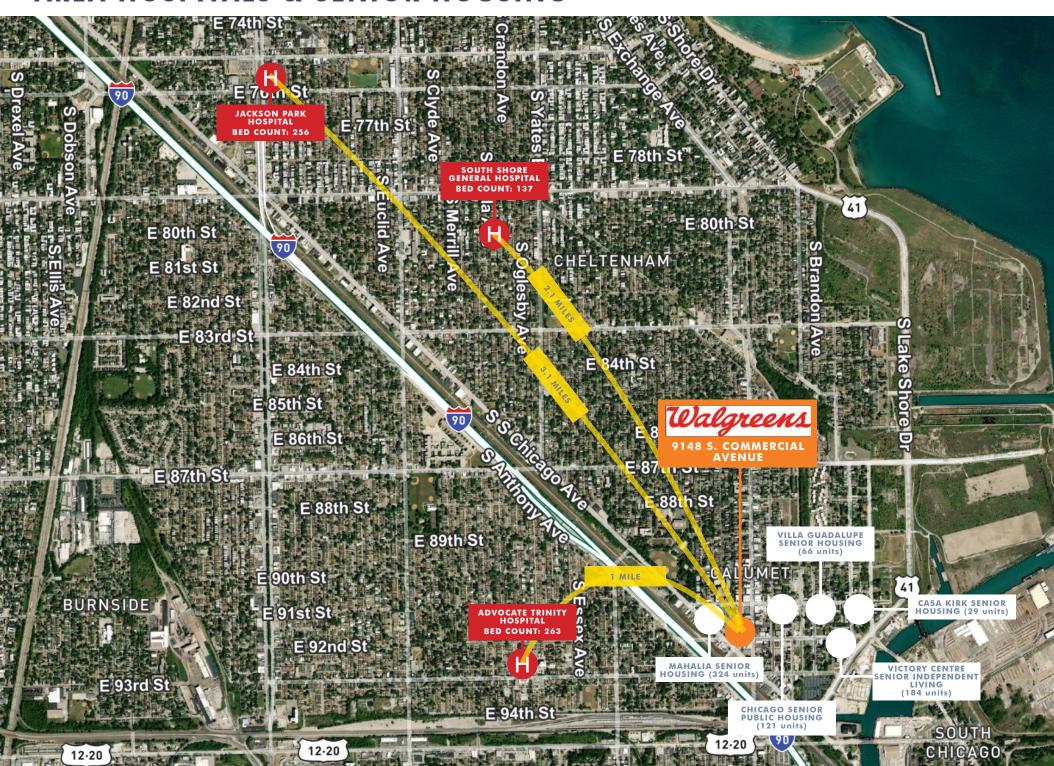
LEASE ABSTRACT

| | Responsible Party | Notes |
|---------------------|-------------------|--|
| Roof | Tenant | |
| Structure | Tenant | |
| Parking Lot | Tenant | |
| HVAC | Tenant | |
| Taxes | Tenant | |
| Insurance | Tenant | |
| CAM | Tenant | |
| Option to Terminate | None | This is a perpetually renewing lease. Tenant has option to terminate after 20th lease year and every fifth lease year thereafter with six months notice. |





AREA HOSPITALS & SENIOR HOUSING



LOCATION HIGHLIGHTS

LOCAL SUBMARKET ECONOMIC FACTORS DRIVING SALES VOLUME AND PERFORMANCE

- Chicago is the 3rd largest City in the United States.
- Dense Infill Metro Chicago location with 144,581 population within 3-Mile radius
- 3 Regional Hospitals (656 Beds) located within 3.1 Miles of subject property.
- Property located within 1 Mile of Advocate Trinity Hospital (263 Beds), 2.1
 Miles of South Shore General Hospital (137 Beds) and 3.1 Miles of Jackson
 Park Hospital (256 Beds).
- Highly concentrated and localized pharmaceutical demand from an aged-population base with 700+ Senior Housing Apartment units located within 2 blocks of Walgreens.
- The only competing Pharmacy in the submarket, CVS Pharmacy permanent-ly-closed their competing location (1 block away) in April 2019 and has conceded the submarket to Walgreens.
- Nearest Pharmacy is located over 2 miles away.
- No immediate Pharmacy, Grocery or "Daily Needs" Retail competitors within the submarket, except Family Dollar.
- Dense urban infill "Food Desert" with no major Grocer located within the submarket; driving daily-needs based consumer traffic to subject property.
- Public Transit Bus Station located at the subject site.
- Site is 2 Blocks from Metra Electric Rail Station.

DEMOGRAPHICS*

| 4,581 (| 319,864 |
|---------|---------|
| 1,954 | 314,689 |
| | |

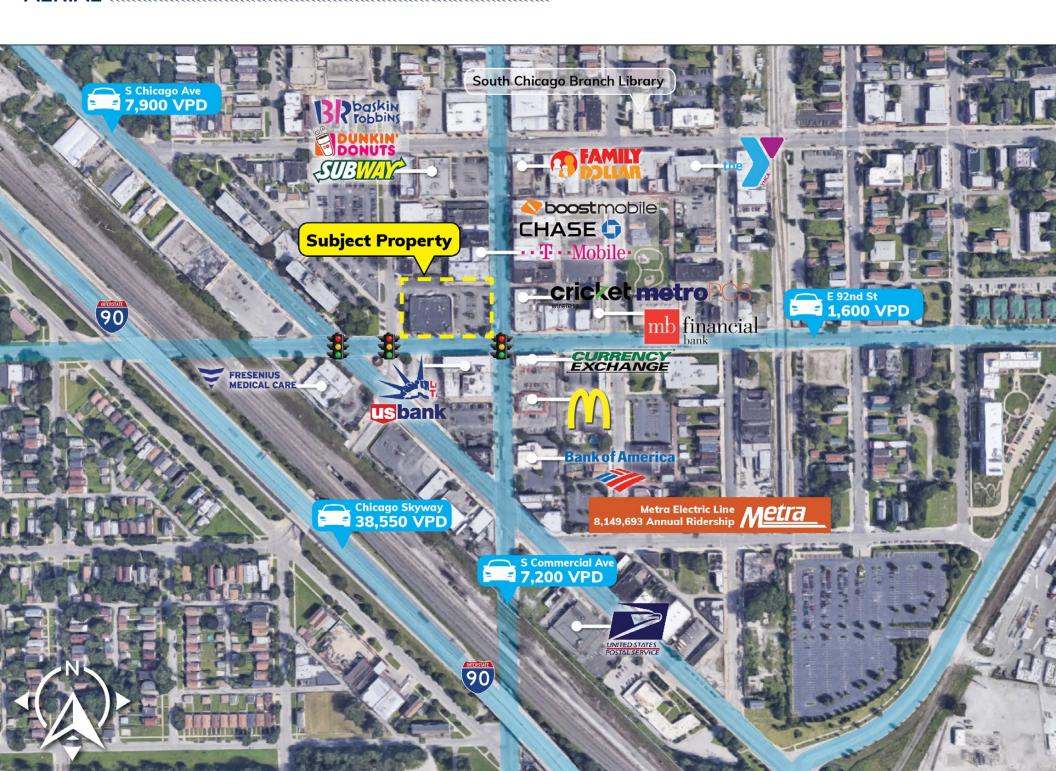
| HOUSEHOLDS | 1-MILE | 3-MILE | 5-MILE |
|-----------------|--------|--------|---------|
| 2020 Households | 8,401 | 56,306 | 126,422 |
| 2025 Households | 8,270 | 55,407 | 124,767 |

| DAYTIME POPULATION | 1-MILE | 3-MILE | 5-MILE |
|--------------------|--------|---------|---------|
| 2020 Population | 20,937 | 124,892 | 297,145 |

| INCOME | 1-MILE | 3-MILE | 5-MILE |
|---------------------------|----------|----------|-------------------|
| 2020 Median HH Income | \$36,080 | \$37,069 | \$38,1 <i>7</i> 8 |
| 2020 Average HH Income | \$52,340 | \$52,905 | \$56,413 |

^{*}Source: Esri







EXCLUSIVELY LISTED BY

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