

\$120,000 Fee to Buyer's Broker



13+ Year NNN Walgreens in Kansas City

- ~ 30 miles to downtown Kansas City
- Excellent demographics
- Strategic location for Walgreens (CVS across the street)
- Only Walgreens for 14+ miles
- Full Walgreens Corporate Guaranty

Walgreens

📍 LEAVENWORTH, KS

\$6,110,000

6.25% CAP

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

John Giordani
Art Griffith

 **DeerfieldPartners**
The Drugstore Experts

INVESTMENT SUMMARY

offering memorandum

2900 S 4TH STREET | LEAVENWORTH, KS 66048

WALGREENS #12923

\$6,110,000

PRICE

6.25%

CAP

\$381,325

ANNUAL RENT

13.5

YRS. GUARANTEED

This is an extremely well located Walgreens drugstore, at the intersection of South 4th Street and Limit Street. South 4th is the main arterial for Leavenworth, and boasts a host of national retailers: CVS, McDonald's, Ace Hardware, Applebee's, Jiffy Lube, Commerce Bank, etc. Leavenworth is a bedroom community, a short drive to Downtown Kansas City. University of Saint Mary's and Saint John Hospital anchor the trade area. A full Walgreens Guaranty rounds out the offering and makes this property an excellent 1031 exchange acquisition.



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PROPERTY OVERVIEW



PROPERTY DETAILS

Address: 2900 S 4th Street
Year Built: 2009
Building Size: 14,463 sq. ft.
Lot Size: 1.834 acres
Tenant: Walgreens



LEASE SUMMARY

Lease Type: NNN
Rent Start Date: 11/1/2009
Firm Term End Date: 10/31/2034
Termination Options: 50 x 1 year



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DEMOGRAPHICS



POPULATION

1 Mile	3 Mile	5 Mile
5,459	35,231	50,575



AVERAGE HOUSEHOLD INCOME

1 Mile	3 Mile	5 Mile
\$52,477	\$71,493	\$79,140



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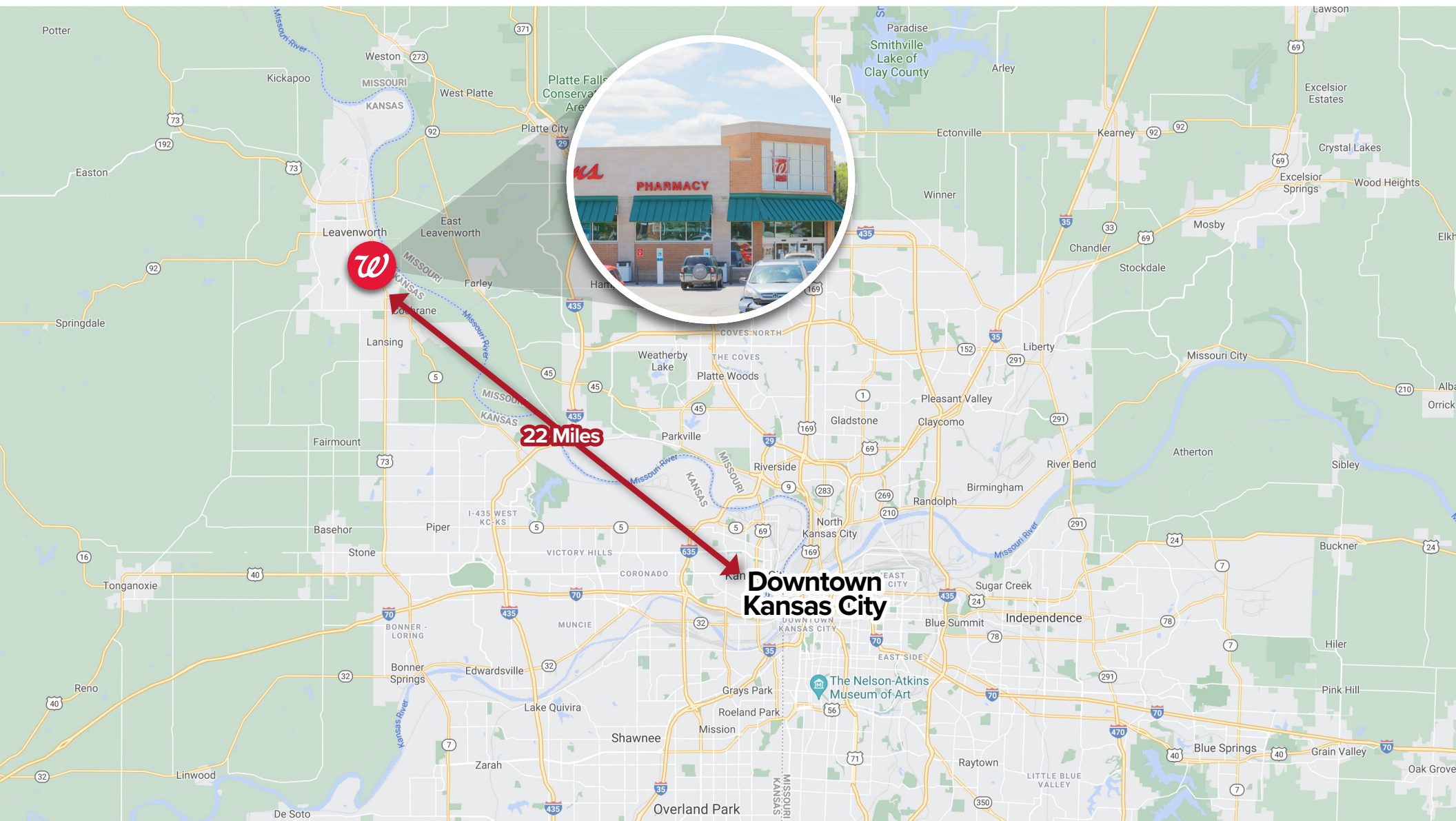


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REGIONAL OVERVIEW



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Art Griffith

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ABOUT WALGREENS BOOTS ALLIANCE



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.



WALGREENS INCOME STATEMENTS TRAILING 5 YEARS

Fiscal year is Sept. – Aug. (All values USD millions)	2016	2017	2018	2019	2020
Sales/Revenue	117.35B	118.21B	131.54B	136.87B	139.54B
Sales Growth	13.44%	0.74%	11.27%	4.05%	1.95%
Cost of Goods Sold (COGS) Incl, D&A	89.2B	90.71B	102.52B	108.83B	113.45B
COGS excluding D&A	87.48B	89.05B	100.75B	106.79B	111.52B
Depreciation & Amortization Expense	1.72B	1.65B	1.77B	2.04B	1.92B
Depreciation	1.32B	1.27B	1.28B	1.49B	1.47B
Amortization of Intangibles	396M	385M	493M	552M	461M
Gross Income	28.16B	27.51B	29.02B	28.04B	26.09B
	2016	2017	2018	2019	2020
SG&A Expense	21.79B	21.25B	22.88B	22.91B	22.34B
Research & Development	-	-	-	-	-
Other SG&A	21.79B	21.25B	22.88B	22.91B	22.34B
Other Operating Expense	-	-	-	-	-
Unusual Expense	963M	886M	188M	311M	2.85M
EBIT after Unusual Expense	5.41B	5.37B	(188M)	4.82B	897M
Non Operating Income/Expense	297M	37M	450M	251M	145M
Non-Operating Interest Income	-	-	-	-	-
Equity in Affiliates (Pretax)	37M	135M	191M	164M	341M
Interest Expense	596M	693M	616M	704M	639M
Gross Interest Expense	596M	693M	616M	704M	639M
Interest Capitalized	-	-	-	-	-
Pretax Income	5.14B	4.85B	5.98B	4.53B	743M
Income Tax	997M	760M	998M	588M	360M
Income Tax – Current Domestic	1.06B	804M	969M	247M	199M
Income Tax – Current Foreign	371M	390M	353M	241M	204M
Income Tax – Deferred Domestic	(177M)	(330M)	(266M)	155M	(81M)
Income Tax – Deferred Foreign	(252M)	(104M)	(58M)	(55M)	38M
Income Tax Credits	-	-	-	-	-
Equity In Affiliates	44M	8M	54M	23M	41M
Other After Tax Income (Expense)	-	-	-	-	-
Consolidated Net Income	4.19B	4.1B	5.03B	3.96B	424M
Minority Interest Expense	18M	23M	7M	(20M)	(32M)



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.

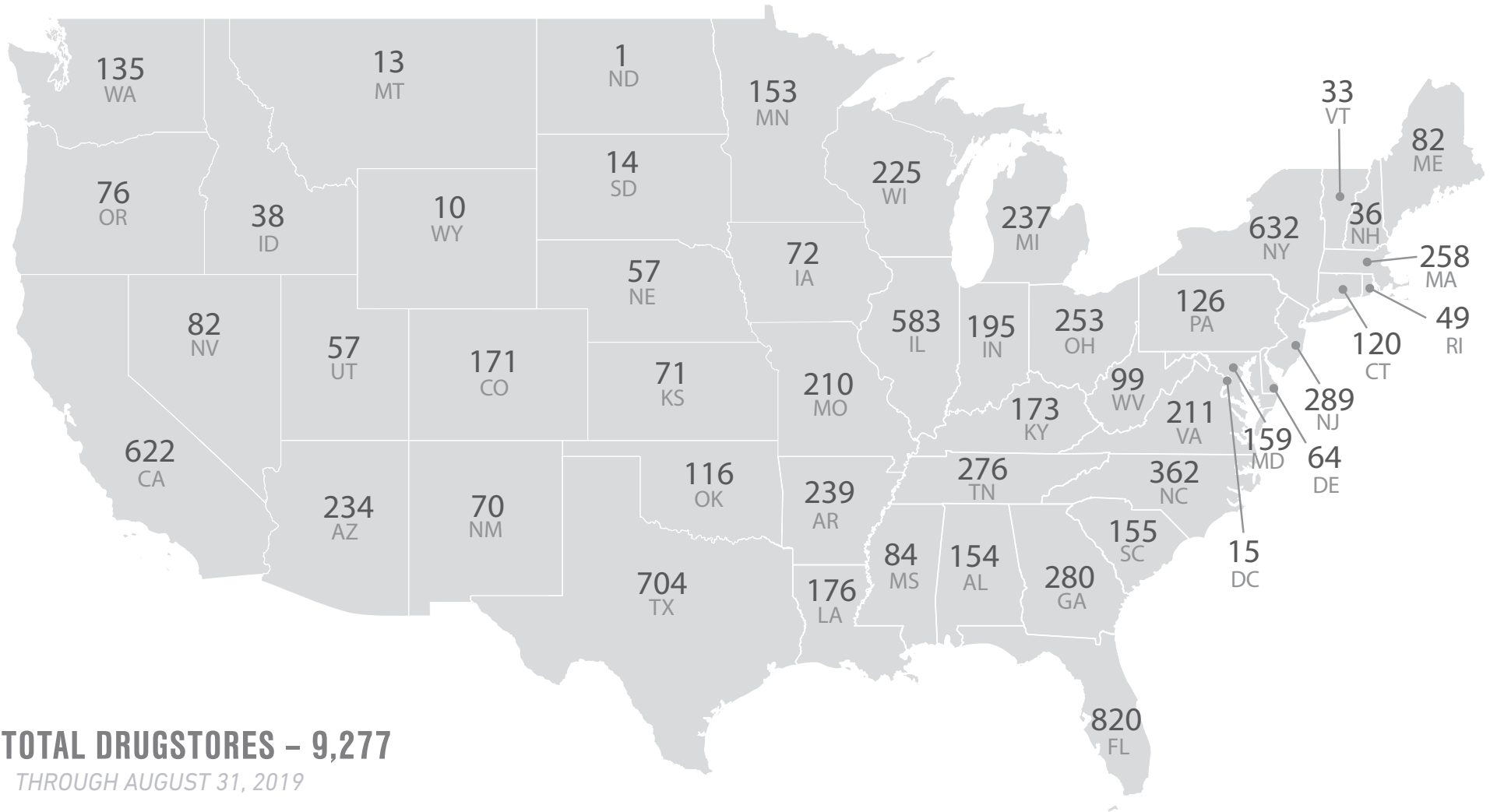
We have more than 78,000* healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners and other health related professionals. Through them we expect to continue to play a growing role in government and employer efforts to control escalating healthcare costs.

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.

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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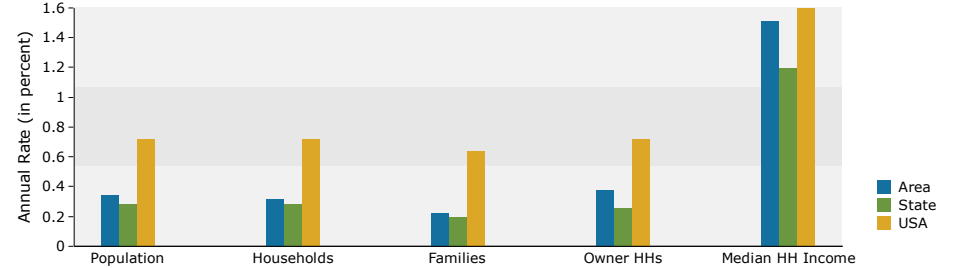
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1-Mile DEMOGRAPHICS

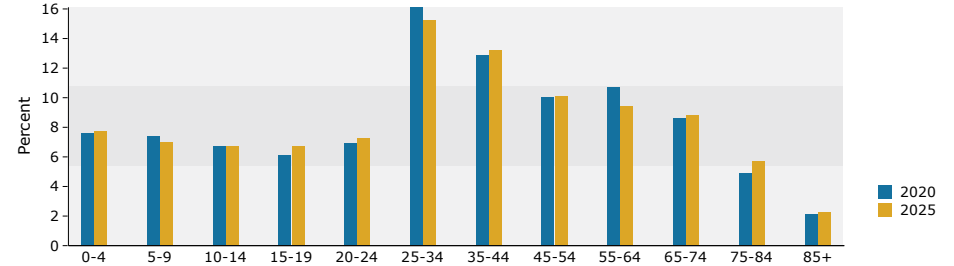
Summary		Census 2010		2020		2025	
Population		5,185		5,459		5,556	
Households		2,012		2,123		2,157	
Families		1,214		1,258		1,272	
Average Household Size		2.28		2.28		2.29	
Owner Occupied Housing Units		951		1,139		1,161	
Renter Occupied Housing Units		1,061		984		996	
Median Age		33.6		34.4		34.6	
Trends: 2020-2025 Annual Rate		Area		State		National	
Population		0.35%		0.28%		0.72%	
Households		0.32%		0.28%		0.72%	
Families		0.22%		0.20%		0.64%	
Owner HHs		0.38%		0.26%		0.72%	
Median Household Income		1.51%		1.20%		1.60%	
Households by Income				2020		2025	
				Number	Percent	Number	Percent
<\$15,000				394	18.6%	370	17.2%
\$15,000 - \$24,999				454	21.4%	444	20.6%
\$25,000 - \$34,999				241	11.4%	236	10.9%
\$35,000 - \$49,999				267	12.6%	272	12.6%
\$50,000 - \$74,999				282	13.3%	303	14.0%
\$75,000 - \$99,999				201	9.5%	224	10.4%
\$100,000 - \$149,999				213	10.0%	234	10.8%
\$150,000 - \$199,999				27	1.3%	30	1.4%
\$200,000+				44	2.1%	44	2.0%
Median Household Income				\$33,555		\$36,174	
Average Household Income				\$52,477		\$56,433	
Per Capita Income				\$20,157		\$21,619	
		Census 2010		2020		2025	
Population by Age		Number	Percent	Number	Percent	Number	Percent
0 - 4		447	8.6%	415	7.6%	429	7.7%
5 - 9		347	6.7%	403	7.4%	390	7.0%
10 - 14		295	5.7%	368	6.7%	372	6.7%
15 - 19		332	6.4%	335	6.1%	372	6.7%
20 - 24		452	8.7%	378	6.9%	406	7.3%
25 - 34		827	15.9%	881	16.1%	844	15.2%
35 - 44		604	11.6%	699	12.8%	731	13.2%
45 - 54		654	12.6%	544	10.0%	559	10.1%
55 - 64		564	10.9%	585	10.7%	520	9.4%
65 - 74		343	6.6%	472	8.6%	489	8.8%
75 - 84		216	4.2%	266	4.9%	315	5.7%
85+		105	2.0%	117	2.1%	130	2.3%
		Census 2010		2020		2025	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
White Alone		3,598	69.4%	3,716	68.1%	3,752	67.5%
Black Alone		1,134	21.9%	1,168	21.4%	1,162	20.9%
American Indian Alone		49	0.9%	57	1.0%	61	1.1%
Asian Alone		88	1.7%	115	2.1%	129	2.3%
Pacific Islander Alone		5	0.1%	7	0.1%	7	0.1%
Some Other Race Alone		74	1.4%	103	1.9%	117	2.1%
Two or More Races		238	4.6%	293	5.4%	328	5.9%
Hispanic Origin (Any Race)		392	7.6%	543	9.9%	633	11.4%

- *Note: Totals are expressed in nearest dollars

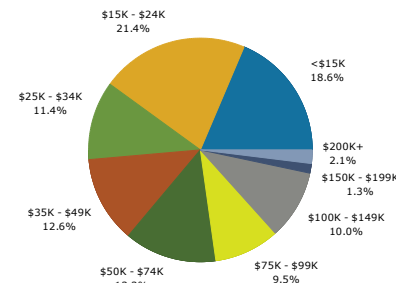
Trends 2020-2025



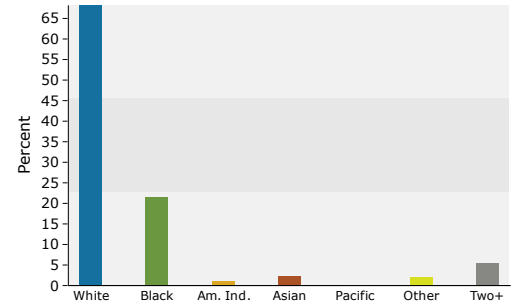
Population by Age



2020 Household Income



2020 Population by Race



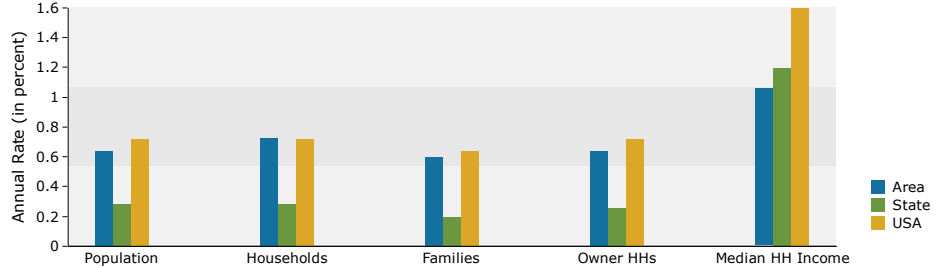
2020 Percent Hispanic Origin:9.9%

3-Mile DEMOGRAPHICS

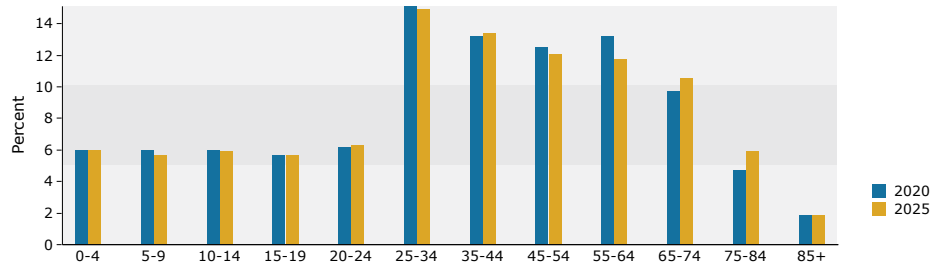
Summary		Census 2010		2020		2025	
Population		33,217		35,231		36,367	
Households		12,133		12,965		13,445	
Families		7,795		8,164		8,410	
Average Household Size		2.44		2.44		2.44	
Owner Occupied Housing Units		7,225		8,251		8,520	
Renter Occupied Housing Units		4,908		4,714		4,925	
Median Age		37.7		38.6		39.0	
Trends: 2020-2025 Annual Rate		Area		State		National	
Population		0.64%		0.28%		0.72%	
Households		0.73%		0.28%		0.72%	
Families		0.60%		0.20%		0.64%	
Owner HHs		0.64%		0.26%		0.72%	
Median Household Income		1.06%		1.20%		1.60%	
Households by Income				2020		2025	
				Number	Percent	Number	Percent
				1,585	12.2%	1,539	11.4%
<\$15,000				1,804	13.9%	1,824	13.6%
\$15,000 - \$24,999				1,478	11.4%	1,470	10.9%
\$25,000 - \$34,999				1,704	13.1%	1,728	12.9%
\$35,000 - \$49,999				1,695	13.1%	1,788	13.3%
\$50,000 - \$74,999				1,421	11.0%	1,520	11.3%
\$75,000 - \$99,999				2,193	16.9%	2,347	17.5%
\$100,000 - \$149,999				552	4.3%	630	4.7%
\$150,000 - \$199,999				533	4.1%	600	4.5%
\$200,000+							
Median Household Income				\$48,973		\$51,631	
Average Household Income				\$71,493		\$76,828	
Per Capita Income				\$28,342		\$30,384	
Population by Age		Census 2010		2020		2025	
		Number	Percent	Number	Percent	Number	Percent
0 - 4		2,227	6.7%	2,120	6.0%	2,184	6.0%
5 - 9		2,098	6.3%	2,097	6.0%	2,076	5.7%
10 - 14		1,988	6.0%	2,106	6.0%	2,136	5.9%
15 - 19		2,087	6.3%	1,999	5.7%	2,070	5.7%
20 - 24		2,167	6.5%	2,201	6.2%	2,282	6.3%
25 - 34		4,783	14.4%	5,313	15.1%	5,416	14.9%
35 - 44		4,559	13.7%	4,662	13.2%	4,863	13.4%
45 - 54		5,215	15.7%	4,388	12.5%	4,388	12.1%
55 - 64		4,106	12.4%	4,637	13.2%	4,268	11.7%
65 - 74		2,146	6.5%	3,405	9.7%	3,829	10.5%
75 - 84		1,269	3.8%	1,646	4.7%	2,149	5.9%
85+		571	1.7%	657	1.9%	707	1.9%
Race and Ethnicity		Census 2010		2020		2025	
		Number	Percent	Number	Percent	Number	Percent
White Alone		25,798	77.7%	26,743	75.9%	27,330	75.2%
Black Alone		4,927	14.8%	5,207	14.8%	5,278	14.5%
American Indian Alone		231	0.7%	278	0.8%	301	0.8%
Asian Alone		533	1.6%	716	2.0%	819	2.3%
Pacific Islander Alone		51	0.2%	73	0.2%	84	0.2%
Some Other Race Alone		411	1.2%	594	1.7%	692	1.9%
Two or More Races		1,266	3.8%	1,619	4.6%	1,862	5.1%
Hispanic Origin (Any Race)		1,980	6.0%	2,775	7.9%	3,301	9.1%

- *Minor Totals are suppressed to protect privacy

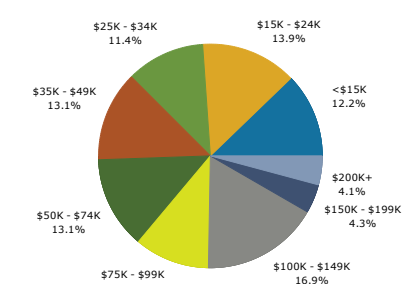
Trends 2020-2025



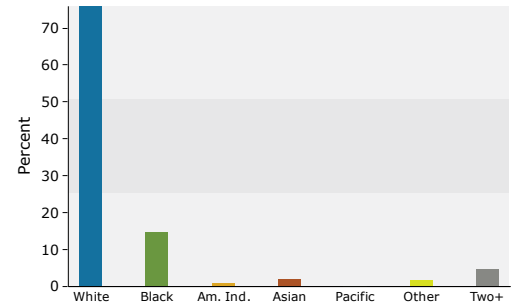
Population by Age



2020 Household Income



2020 Population by Race



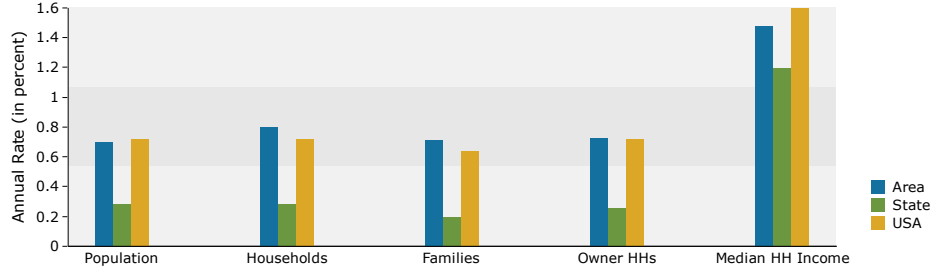
2020 Percent Hispanic Origin: 7.9%

5-Mile DEMOGRAPHICS

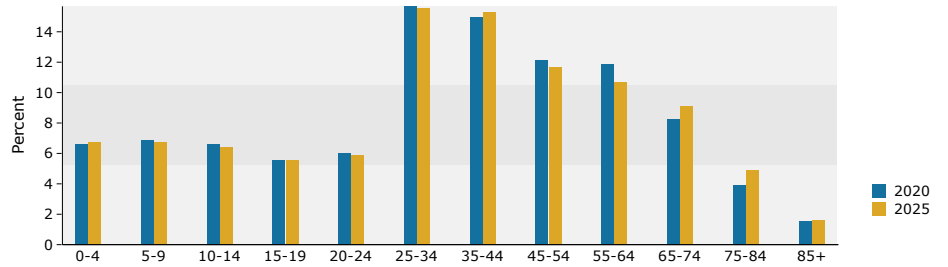
Summary		Census 2010		2020		2025	
Population		47,546		50,575		52,381	
Households		16,010		17,249		17,949	
Families		11,076		11,773		12,199	
Average Household Size		2.58		2.58		2.58	
Owner Occupied Housing Units		9,197		10,502		10,893	
Renter Occupied Housing Units		6,813		6,747		7,056	
Median Age		36.0		36.6		36.9	
Trends: 2020-2025 Annual Rate		Area		State		National	
Population		0.70%		0.28%		0.72%	
Households		0.80%		0.28%		0.72%	
Families		0.71%		0.20%		0.64%	
Owner HHs		0.73%		0.26%		0.72%	
Median Household Income		1.48%		1.20%		1.60%	
Households by Income				2020		2025	
				Number	Percent	Number	Percent
<\$15,000				1,734	10.1%	1,668	9.3%
\$15,000 - \$24,999				2,060	11.9%	2,051	11.4%
\$25,000 - \$34,999				1,806	10.5%	1,771	9.9%
\$35,000 - \$49,999				2,043	11.8%	2,054	11.4%
\$50,000 - \$74,999				2,178	12.6%	2,272	12.7%
\$75,000 - \$99,999				2,114	12.3%	2,251	12.5%
\$100,000 - \$149,999				3,585	20.8%	3,859	21.5%
\$150,000 - \$199,999				898	5.2%	1,046	5.8%
\$200,000+				831	4.8%	978	5.4%
Median Household Income				\$59,263		\$63,786	
Average Household Income				\$79,140		\$85,953	
Per Capita Income				\$28,773		\$31,154	
Population by Age		Census 2010		2020		2025	
		Number	Percent	Number	Percent	Number	Percent
0 - 4		3,426	7.2%	3,354	6.6%	3,489	6.7%
5 - 9		3,424	7.2%	3,494	6.9%	3,500	6.7%
10 - 14		3,136	6.6%	3,318	6.6%	3,368	6.4%
15 - 19		2,874	6.0%	2,785	5.5%	2,920	5.6%
20 - 24		2,925	6.2%	3,047	6.0%	3,083	5.9%
25 - 34		7,185	15.1%	7,946	15.7%	8,177	15.6%
35 - 44		7,460	15.7%	7,572	15.0%	7,990	15.3%
45 - 54		7,110	15.0%	6,136	12.1%	6,114	11.7%
55 - 64		5,241	11.0%	5,997	11.9%	5,584	10.7%
65 - 74		2,642	5.6%	4,220	8.3%	4,755	9.1%
75 - 84		1,491	3.1%	1,953	3.9%	2,583	4.9%
85+		632	1.3%	752	1.5%	818	1.6%
Race and Ethnicity		Census 2010		2020		2025	
		Number	Percent	Number	Percent	Number	Percent
White Alone		36,796	77.4%	38,387	75.9%	39,384	75.2%
Black Alone		6,701	14.1%	6,953	13.7%	7,025	13.4%
American Indian Alone		405	0.9%	453	0.9%	482	0.9%
Asian Alone		819	1.7%	1,110	2.2%	1,274	2.4%
Pacific Islander Alone		89	0.2%	126	0.2%	146	0.3%
Some Other Race Alone		804	1.7%	1,085	2.1%	1,242	2.4%
Two or More Races		1,932	4.1%	2,461	4.9%	2,828	5.4%
Hispanic Origin (Any Race)		3,388	7.1%	4,633	9.2%	5,467	10.4%

- *Minor Totals are suppressed to protect dollars

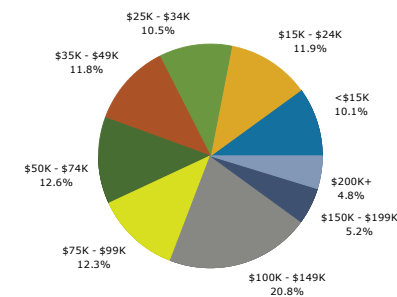
Trends 2020-2025



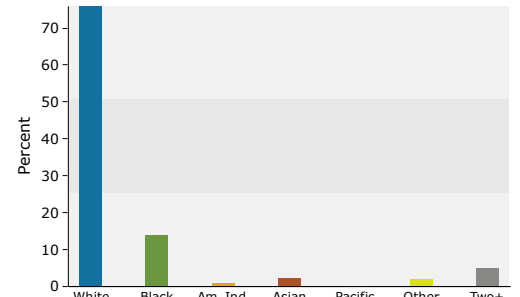
Population by Age



2020 Household Income



2020 Population by Race



2020 Percent Hispanic Origin:9.2%

John Giordani

Partner

listings@deerfieldteam.com

Arthur Griffith

Partner

listings@deerfieldteam.com

Deerfield Partners

201 Mission Street

12th Floor

100% Focused on Drugstores



All information provided is deemed reliable, but is not guaranteed and should be independently verified.