



Walgreens

525 North Cannon Boulevard | Kannapolis, NC 28083

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ALL PARCEL LINES ON AERIALS AND SITE PLAN ARE APPROXIMATELY.

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EXECUTIVE SUMMARY



THE OFFERING

CBRE's Net Lease Property Group - Midwest is pleased to present to qualified individuals, the opportunity to acquire 100% fee interest in a freestanding Walgreens in Kannapolis, NC. Walgreens, located at 525 N Cannon Boulevard has over 10.5 years of term remaining and nine, 5-year options to extend their lease. Walgreens is located at the intersection of Cannon Boulevard and Jackson Park Road/Lane Street where approximately 31,000 vehicles pass the site per day. The site is also two miles northeast of downtown Kannapolis, which is part of the dynamic Charlotte region, one of the top growth areas in the country.

Walgreens Boots Alliance (NASDAQ: WBA) is a global leader in retail and wholesale pharmacy, touching millions of lives every day through dispensing and distributing medicines, its convenient retail locations, digital platforms and health and beauty products. The company has more than 170 years of trusted healthcare heritage and innovation in community pharmacy and pharmaceutical wholesaling. WBA is one of the world's largest purchasers of prescription drugs and many other health and well-being products. The company's size, scale and expertise will help position us to expand the supply of, and address the rising cost of, prescription drugs in the U.S. and worldwide. The Company is included in Fortune's 2020 list of the World's Most Admired Companies. This is the 27th consecutive year that WBA or its predecessor company, Walgreen Co., has been named to the list. WBA recorded over \$132.5 billion in 2021 fiscal year sales.



INVESTMENT HIGHLIGHTS



STRONG TENANCY:

This is an incredible opportunity to acquire fee simple interest in a single tenant Walgreens located in Kannapolis, North Carolina which is part of the northeast Charlotte Metro Area. Walgreen's original 20-year lease commenced in 2012 and has over 10.5 years remaining with nine, 5-year options to renew.



INVESTMENT CREDIT:

Walgreens Boots Alliance (NASDAQ: WBA) is one of the world's largest drugstore chains with 13,000 stores and a presence in nine countries, along with its omnichannel business, Walgreens.com. Walgreens Boots Alliance has a "BBB/Stable" rating from Standard and Poor's and recorded over \$132.5 billion in 2020 fiscal year sales.



ABSOLUTE NET LEASE:

There are ZERO landlord responsibilities. Tenant is responsible for taxes, insurance, CAM, roof, and structural repairs.



INCREDIBLE ACCESSIBILITY & VISIBILITY:

Walgreens is strategically positioned off the signalized hard corner of Jackson Park Road & Cannon Boulevard which has a combined traffic count of 31,000 vehicles per day. Walgreens has over 385 feet of frontage on Jackson Park Road and 185 feet of frontage on Cannon Boulevard. There is one access point to the site from Cannon Boulevard and two from McCombs Avenue, off Jackson Park Road.



STRONG, GROWING DEMOGRAPHICS:

The Property serves a growing customer base with over 75,300 residents living within a five-mile radius. This population is anticipated to grow nearly 6% over the next five years to 79,800 residents. The current median age of the population is 39.4 years. Nearly 40% of the population is between the ages of 25 and 54, the peak earning years. Approximately 56% of the housing units are owner occupied.



KANNAPOLIS DOWNTOWN REVITALIZATION PLAN:

Kannapolis is experiencing an abundance of development and re-vitalization including a brand new \$52 million, nearly 5,000 seat Kannapolis Sports Entertainment Venue. Other major developments within city limits include the North Carolina Research Campus, a growing \$600 million life sciences campus with 1,000+ employees and notable tenants including UNC Chapel Hill, NC State, Duke University, Appalachian State, Atrium Health, and Dole Food Company. Downtown Kannapolis revitalization projects include major infrastructure and streetscape improvements and VIDA, a new mixed-use property including 286 multifamily units, 125-unit hotel and 400 space parking deck.

SOUTH AERIAL

DOWNTOWN
KANNAPOLIS

DOLLAR GENERAL

Rowan-Cabarrus
SCHOOL DISTRICT



Frutas
Locas

CVS
pharmacy

Walgreens



CANNON BLVD
18,500 VPD

CALLAHAN
DISCOUNT
FURNITURE



JACKSON PARK RD
12,500 VPD

FINANCIAL OVERVIEW

Offering Price	\$7,680,000
Cap Rate	6.25%
Annual Rent	\$480,000
Building Size	13,643 Square Feet
Land Area	± 1.278 Acres / 55,688 Square Feet
Lease Structure	Absolute NNN with zero landlord responsibilities.
Tenant	Walgreens, Co.
Lease Commencement	October 29, 2012
Lease Expiration	October 31, 2032
Lease Term Remaining	10 Years, 10 Months
Renewal Options	Nine, 5-Year Options
Rental Increases	None
ROFR	Tenant has a 45 day right of first refusal

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PROPERTY DESCRIPTION



TENANT PROFILE



Founded in 1901 and headquartered in Deerfield, Illinois, Walgreens is one of the nation's largest drugstore chains providing trusted care in communities around the United States. Walgreens has 9,021 locations in all 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. Prescription drugs account for the majority of the company's sales while the rest comes from general merchandise, over-the-counter medications, cosmetics, and groceries. For fiscal 2020, Walgreens filled 287.6 million prescriptions (including immunizations) on a 30-day adjusted basis. Walgreens employs more than 225,000 people and interacts with approximately 8 million customers in its stores and online each day.

In December 2014, Walgreens combined with European-based Boots Alliance to create the first global pharmacy-led, health and wellbeing enterprise in the world. Walgreens Boots Alliance (NASDAQ: WBA) is the largest retail pharmacy, health, and daily living destination across the U.S. and Europe. Under the Walgreens, Duane Reade, Boots and Alliance Healthcare brands, the company offers prescription and nonprescription drugs, beauty and personal care products, household items, greeting cards, seasonal items, and convenience food. The company employs over 315,000 people and has a presence in 9 countries with 13,000 stores. Walgreens Boots Alliance had Fiscal Year ending August 2021 sales of \$132.5 billion.



PROPERTY DESCRIPTION

SITE DESCRIPTION

Property Name: Walgreens

Location: 525 North Cannon Boulevard
Kannapolis, NC 28083 (Cabarrus County)

Site Size: ± 1.278 Acres/55 688 Square Feet

Building Size: ± 13,650 Square Feet

Year Built: 2012

PIN: 5624019525

Shape: Irregular

Parking: 104 spaces total. There are 52 spaces including 3 handicap spaces through the subject parcel and an additional 52 spaces (including 3 handicap spaces) via an easement parcel. (7.6 per 1,000 SF of GLA)

Access: The Property is accessible via Cannon Boulevard and McCombs Avenue via Jackson Park Road.

Flood Hazard: According to the flood hazard maps published by the FEMA, the site is within Zone X as indicated on Community Map Panel No. 3710562400L dated November 16, 2018. Zone X, an area that is determined to be outside the 100-and 500-year floodplains.

Zoning: The property is zoned C-2 (General Commercial District).

Traffic Counts: Cannon Boulevard – 18,500 VPD
Jackson Park Road/Lane Street – 12,500 VPD
Interstate 65 – 75,000 VPD



SITE PLAN



LANE ST

JACKSON PARK RD

29

N CANNON BLVD

Easement
Parking

Walgreens

MCCOMB'S AVE

COLE ST

12



Square Footage
13,650 SF

Lot Size
± 1.278 Acres

Parking Spaces
104 spaces (See Property Description)

MARKET OVERVIEW



MARKET OVERVIEW

Walgreens is located in Kannapolis, North Carolina, approximately two miles northeast of downtown. With a deep history in textile manufacturing, Kannapolis is evolving into a research and development hub centered around health and wellness. This transformation started with the creation of the \$600 million North Carolina Research Campus (NCRC), a 350-acre home to eight university programs working on the cutting edge of health sciences. NCRC is in the heart of downtown Kannapolis on the redeveloped site of former Cannon Mills – a 6,000,000 SF facility that was largest towel manufacturing facility in the world. In addition to the amazing discoveries and quality jobs the campus brings, it is creating momentum and business opportunities that come along with such an important research institution.

TRADE AREA CHARACTERISTICS

Walgreens draws the majority of its customer base from a five-mile radius trade area based on population concentration and the location of competing properties.

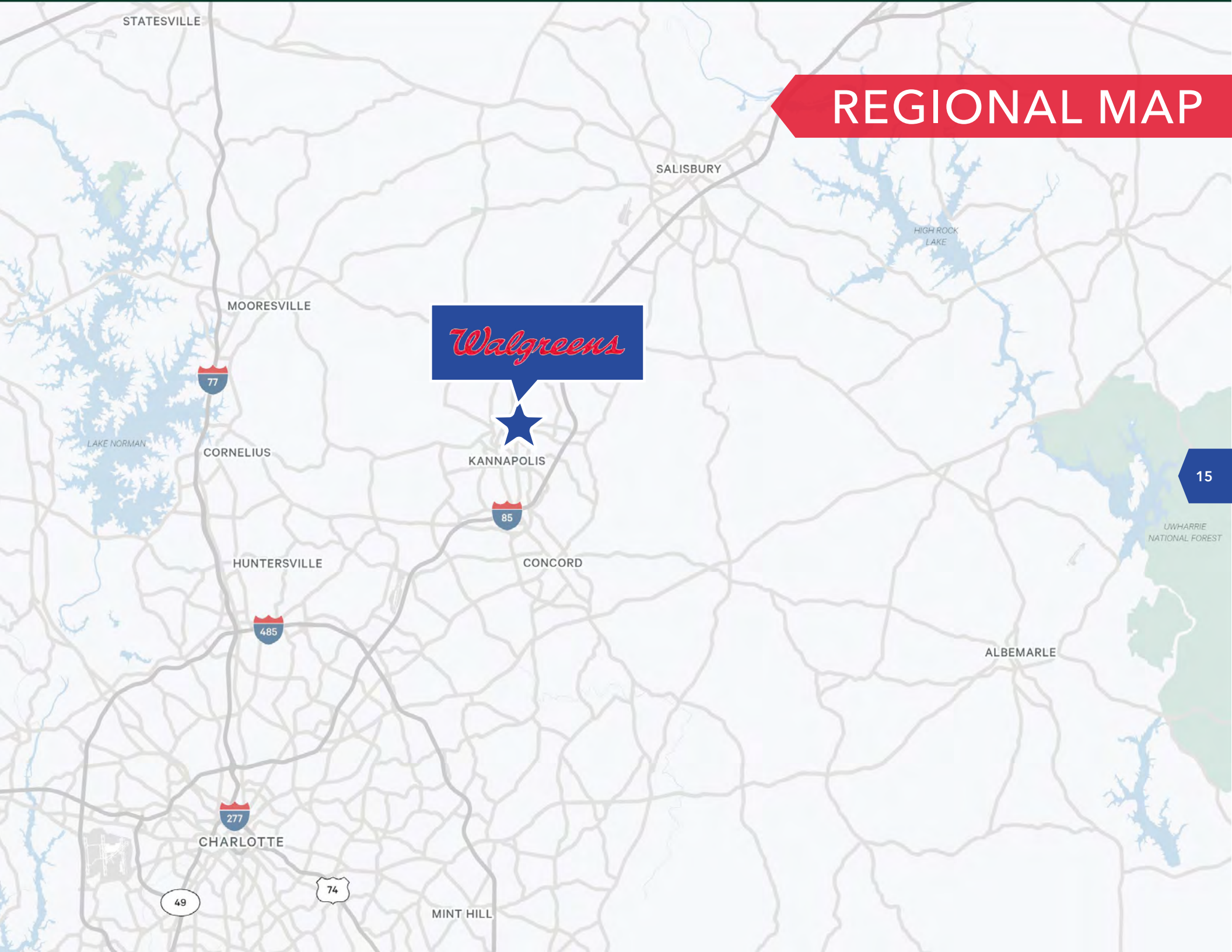
- The five-mile trade area has a currently population of 75,311 residents and 29,602 households.
- The current median age of the population is 39.4 years. 39% of the population is between the ages of 25 and 54, the peak earning years.
- The area's average and median household incomes are \$73,667 and \$54,042, respectively. 24% of the households have annual incomes between \$75,000 and \$150,000 and over 9% of the households have annual incomes above \$150,000.
- Approximately 56% of the housing units are owner occupied. Furthermore, 52% of the housing units' range in value from \$150,000 to \$400,000 and 73% of the units are single family.

CHARLOTTE, NORTH CAROLINA

Walgreens is located within the Charlotte MSA, which is a 16-county area that is home to approximately 2.7 million residents and one of the fastest growing metropolitan areas in the country. Charlotte is the largest city in the Carolinas and the 16th largest in the United States. Steady job creation has outpaced the rest of the country and its skilled labor force and affordability has attracted many high-profile corporate relocations and expansions. Six Fortune 500 companies are headquartered in the area.

High-quality talent, low cost of living and easy access to markets makes Charlotte the ideal location for headquarters operations. With the world's seventh busiest airport, the nation's second-largest banking center and as the number-one destination for relocating millennials, Charlotte has become one of the fastest-growing cities in the country. Perhaps the most compelling attraction of Charlotte is simply its remarkable quality of life. Though a leading national business center, Charlotte has been able to maintain a low cost of living, high quality of life, and the charm and hospitality for which the Carolinas and the Southeast have come to be known. Charlotte is rich with a diverse menu of entertainment opportunities ranging from professional sporting events to the arts and outdoor recreational activities.

REGIONAL MAP



Walgreens

POPULATION DENSITY



2021 POPULATION

1 MILES | 7,103
3 MILES | 42,560
5 MILES | 75,311

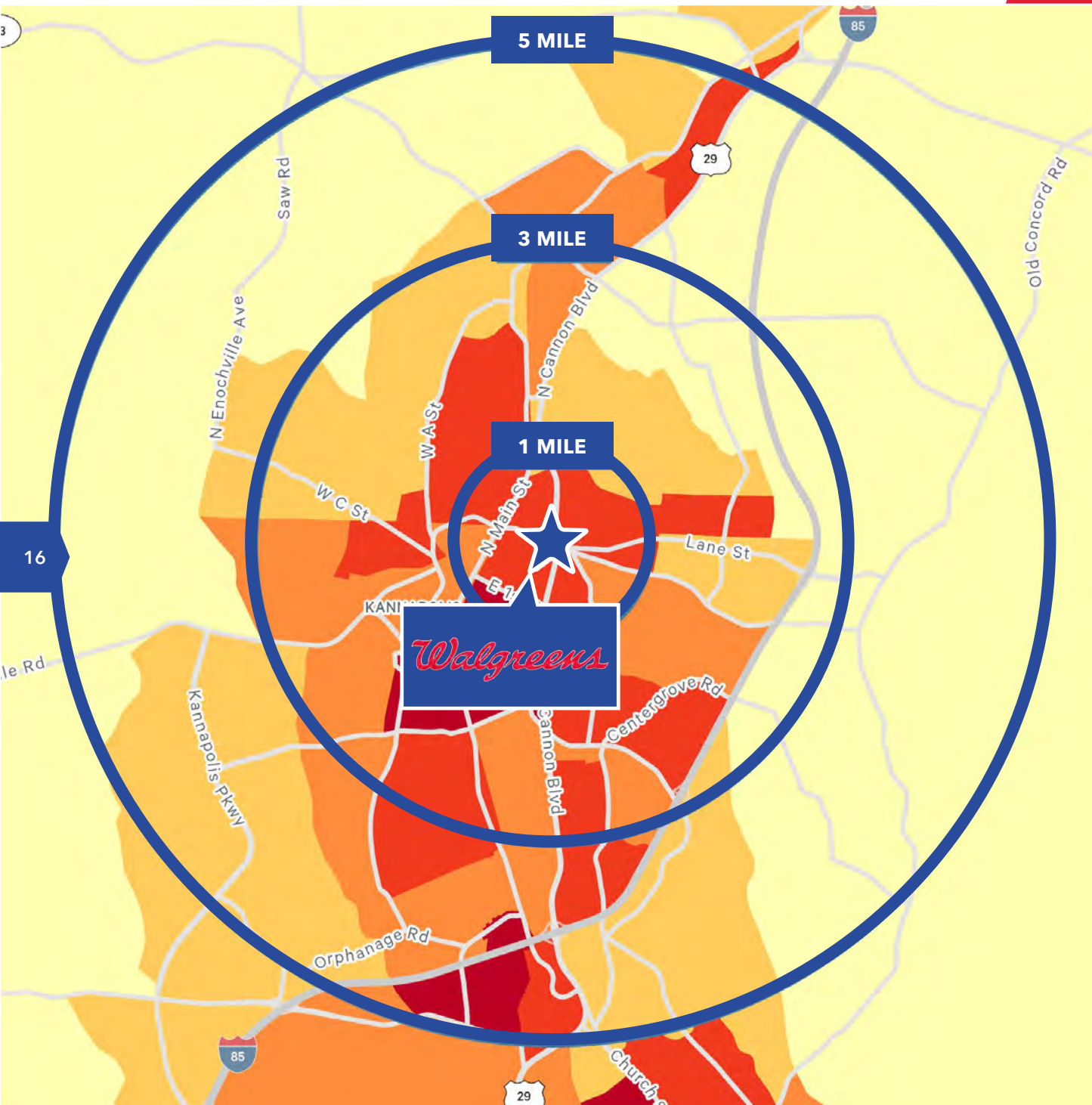


2026 POPULATION

1 MILES | 7,453
3 MILES | 45,486
5 MILES | 79,799

POPULATION PER SQUARE MILE - 2021

- Over 3,000
- 2,000 to 3,000
- 1,000 to 2,000
- 500 to 1,000
- Less than 500



AVERAGE INCOME



2021 AHHI

1 MILES | \$62,101
3 MILES | \$68,353
5 MILES | \$73,667

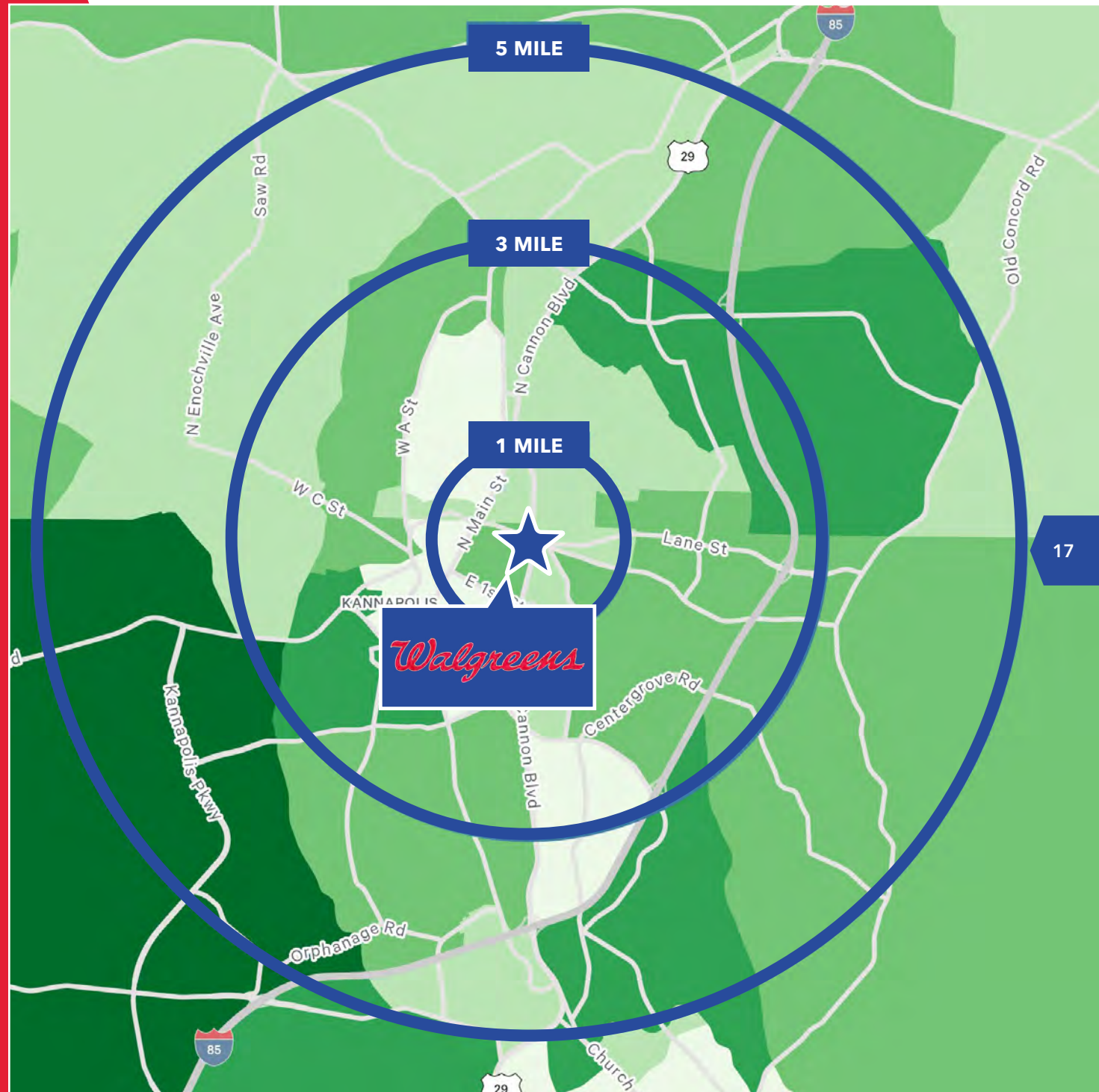


2026 AHHI

1 MILES | \$69,325
3 MILES | \$76,953
5 MILES | \$82,824

AVERAGE HOUSEHOLD INCOME - 2021

- Over \$110,000
- \$90,000 to \$110,000
- \$70,000 to \$90,000
- \$50,000 to \$70,000
- Less than \$50,000



POPULATION GROWTH



2021 HOUSEHOLDS

1 MILE | 2,877
3 MILES | 16,552
5 MILES | 29,602

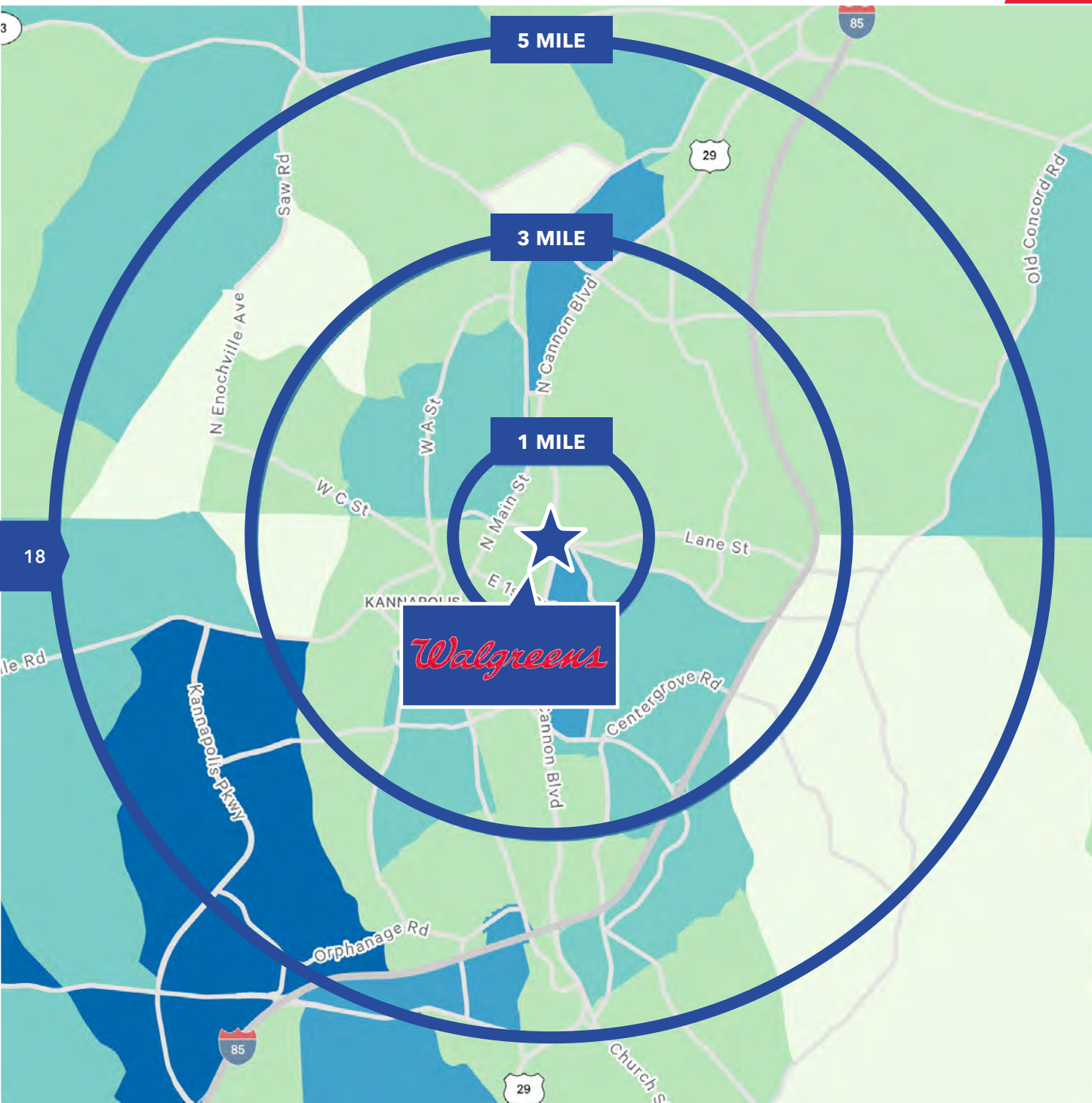


2026 HOUSEHOLDS

1 MILE | 3,019
3 MILES | 17,687
5 MILES | 31,363

POPULATION GROWTH 2010 - 2021

- Over 3%
- 1.5% to 3%
- 0.75% to 1.5%
- Up to 0.75%
- Loss or No Growth



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