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OFFERING  
MEMORANDUM



WALGREENS

601 East Kings Street

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Kings Mountain, NC 28086



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Activity ID: ZAC0370829

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Marcus & Millichap







Walgreens

DRIVE THRU

GIFTS  
WEEK  
50%



# OFFERING SUMMARY

## WALGREENS

**\$ Total Price**  
**\$2,100,000**

Cap Rate	6.5%
Tenant	Walgreens Co.
Guarantor	Corporate
Address	601 E Kings St, Kings Mountain, NC
Building Size (SF)	10,908
Lot Size (Acres)	1.47
Year Built	1999
Rent Commencement	3/18/99
Lease Expiration	10/31/24
Lease Structure	NN
Annual Base Rent  PSF	\$136,000   \$12.47
Rent Increases	10% Increases Every 5 Years
Renewal Options	Four, 5-Year Options
ROFR	No
Landlord Responsibilities	Roof & Structure

## RENT SCHEDULE

Lease Year	Lease Dates	Annual Rent	Rent Increases
Option 1	1/1/2019 - 10/31/2024	\$136,000	
Option 2	11/1/2024 - 10/31/2029	\$149,600	10%
Option 3	11/1/2029 - 10/31/2034	\$164,560	10%
Option 4	11/1/2034 - 10/31/2039	\$181,016	10%
Option 5	11/1/2039 - 10/31/2044	\$199,118	10%



# WALGREENS

601 East Kings Street, Kings Mountain, NC

Marcus & Millichap is pleased to offer for sale the 100 percent fee simple interest in 601 East Kings Street (the Property), a 10,908 square-foot building in which Walgreens previously executed a five-year lease renewal on their original 20-year double net lease. Located just 30 miles west of Charlotte, North Carolina, the property sits at the hard signalized corner of the East Kings Street and Cleveland Avenue intersection, providing maximum visibility to over 25,000 vehicles per day. Across from East Kings Street is a Food Lion-Anchored Shopping Center, with other surrounding retail tenants such as Dollar Tree, Subway, Advance Auto Parts, AutoZone, KFC, and Hardee's. This Walgreens is also conveniently located within one mile of the Interstate-85 and U.S. Highway 74 interchange, with over 83,000 vehicles per day. This offering presents the unique opportunity to acquire a newly-extended double net lease with below-market rent and significant rent increases in the four remaining renewal options.

## INVESTMENT HIGHLIGHTS

Long-Term Tenant has Operated at Location for 20+ Years and Extended Lease Renewal

Located on Hard Corner of Prominent Intersection – Combined 25,000+ VPD

Below-Market Rent with Significant Rent Increases in Four Renewal Options

Notable Neighboring Retail Tenants – Food Lion, Advance Auto Parts, KFC, Dollar Tree, AutoZone, Subway

Located Only 30 Miles from Downtown Charlotte – One of Fastest Growing Cities in the U.S.

Strong Jump in Store Sales – 34% Increase in Most Recent Fiscal Year





# AERIAL & SURROUNDING RETAIL // Walgreens

Downtown Charlotte  
30 Miles East

↑ SW

Kings Mountain State Park  
• 9 Miles SW  
• 6,885 Acres  
• 20+ Miles of Hiking Trails  
• 30 Miles of Equestrian Trails  
• Lake Crawford & Lake York

## Demographics | 5-Mile Radius

2021 Population	30,178
2021 Households	11,720
2021 Avg. Household Income	\$62,934
2021 Median Age	41.6

Flooring America



SUBWAY



Advance Auto Parts

BB&T



Hardee's

SUBJECT PROPERTY

Auto Zone



## TENANT OVERVIEW // *Walgreens*



Founded in 1901, Walgreens is a global leader in pharmacy-led health and wellbeing retail. Walgreens is a subsidiary of Walgreens Boots Alliance Inc., and operates over 9,000 stores throughout the U.S., the District of Columbia, the U.S. Virgin Islands and Puerto Rico. A typical Walgreens store carries over 18,000 items in its wide range of consumer goods, and provides pharmacy, photo printing, health, and wellness services to its customers. The company has over 88,000 healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners, and other healthcare-related professionals working at their locations. Walgreens stores also see a total of six million customers daily, and an average of 68 million people visit Walgreens' websites each month. According to the Washington Post, the company is planning to open hundreds of primary-care clinics in the coming years as it continues to expand into medical care.

### **78% OF U.S. POPULATION LIVES WITHIN FIVE MILES OF A WALGREENS**

Making Walgreens a Household Name for Most Americans

### **EIGHT MILLION CUSTOMERS SERVED EVERY DAY**

Customers Include In-Person and Online Customers

### **WALGREENS FILLED 287.6 MILLION PRESCRIPTIONS IN 2020**

Including Immunizations and on a 30-Day Adjusted Basis in Fiscal 2020

### **MANAGES OVER 400 HEALTHCARE CLINICS & PROVIDER PRACTICE LOCATIONS IN U.S.**

With Plans to Open Hundreds of Additional Clinics in Upcoming Years

### **PUBLICLY TRADED ON THE NYSE UNDER TICKER SYMBOL 'WBA'**

Walgreens and Alliance Boots Merged in 2014, Making WBA Largest Purchaser of Health Products

**WALGREENS.COM**

## COMPANY OVERVIEW



**Headquartered in  
Deerfield, IL**



**Annual Net Sales in  
2020:\$139.537 Billion**



**Year Founded: 1901**



**Over 88,000  
Healthcare Service  
Providers**



**Number of Employees:  
225,000+140,000 +**



**Number of Stores:  
9,000+ Globally**





## Kings Mountain, NC // *Walgreens*

Kings Mountain is a suburban city within the Charlotte metropolitan area, located just 30 miles West of Charlotte's downtown. Most of Kings Mountain is in Cleveland County, located in the foothills of the Blue Ridge Mountains, and known for its manufacturers of military trucks, beverage bottles, transmissions, aircraft parts, ceramic capacitor material, electrical motors, and production equipment. The county sees gross retail sales that exceed \$1 billion a year, with a large portion of the sales coming from Kings Mountain's specialty shops and restaurants. Interstate 85 and U.S. Highway 74 run through the city, making Kings Mountain ideally located for transportation needs of its many businesses, while also diversifying the business climate by attracting different industry sectors.

## Charlotte, NC // *Walgreens*

Charlotte is the most populous city in North Carolina, with a population around 850,000 as of 2020, making it the 16th largest city in the U.S. The city is located in, and county seat of, Mecklenburg County, while the Charlotte metropolitan area consists of sixteen counties. Over the past decade, the Charlotte region grew by 16.3%, more than twice the growth rate of the entire U.S. The Charlotte MSA is currently the second largest financial center in the country, behind New York City, with Bank of America and Wells Fargo being the largest employers in the state. The MSA is also home to other Fortune 500 companies and major employers, including Lowes, Honeywell, Duke Energy, Truist, Sonic Automotive, CommScope, Bright Financial, and Coca-Cola Bottling Company. The metropolitan area is also the largest manufacturing region in the Carolinas, and boasts an estimated gross metropolitan product of over \$170 billion.

### LOCATION HIGHLIGHTS

- Global electric vehicle company, Arrival, recently announced that it will establish a high voltage battery module assembly in Charlotte's west side, **employing 150 people and investing \$11.5 million** in the new facility off of Yorkmont Road.
- Steffes, LLC, a steel fabrication company, is expanding its business to Shelby, NC, a neighboring city of Kings Mountain within Cleveland County, with a new **\$20.9 million manufacturing facility** and the creation of 130 new jobs.
- Duke Energy has begun construction on the **50-MW Broad River Solar Plant** in Cleveland County, stretching 500 acres with over 170,000 solar panels. The facility will power 12,500 homes, generate 120 new jobs, and result in economic benefits for the county such as local tax revenues and increased local spending in the service and construction industries.
- The Charlotte metropolitan area's **population is predicted to grow by 50 percent** by 2050, with the population increasing from about 3 million to 4.5 million people.





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