



Absolute Net Walgreens in Tax-Free Texas

- 10+ Years NNN Rent - No Landlord Responsibilities
- Excellent Store Sales: Up 20% From 2019
- Hard Corner Location With Drive-Thru
- High Traffic Area - South Texas College Mid-Valley Campus and Weslaco High School Nearby
- Full Walgreens Corporate Guaranty

Walgreens

📍 WESLACO, TX

\$4,618,182

5.50% CAP

📞 (888) 434-9701
✉️ loopnet@deerfieldteam.com

John Giordani
Art Griffith

 **DeerfieldPartners**
The Drugstore Experts

INVESTMENT SUMMARY

1701 W BUSINESS 83 | WESLACO, TX 78596

WALGREENS #10551

\$4,618,182

PRICE

5.50%

CAP

\$254,000

ANNUAL RENT

10.6

YRS. GUARANTEED

Rare opportunity to purchase a long term, Absolute Net Lease Walgreens with zero landlord responsibilities in the income tax-free state of Texas. This store is a strong performer, reporting over \$3.4mm in sales for 2020. Walgreens is well positioned at the intersection of W Business 83 (Weslaco's major east-west artery) and S Westgate Dr. This is an important strategic location for Walgreens, with immediate proximity to South Texas College Mid-Valley Campus (30,000 students between its campuses) and Weslaco High School (2,430 students). The full Walgreens Corporate Guaranty makes this store ideal for a 1031 exchange.



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PROPERTY OVERVIEW



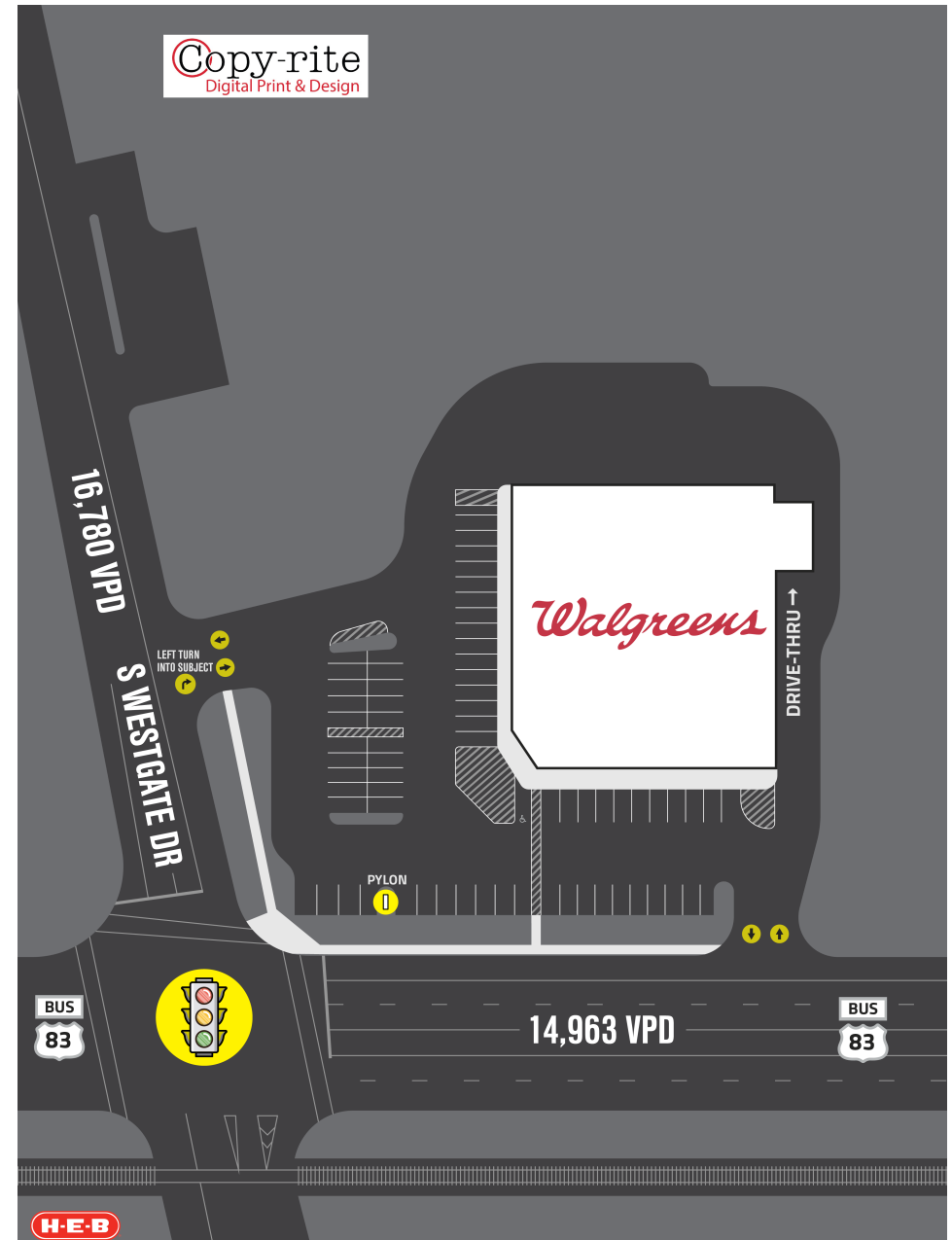
PROPERTY DETAILS

Address: 1701 W Business 83
Year Built: 2007
Building Size: 14,820 Sq Ft
Lot Size: 1.41 Acres
Tenant: Walgreens



LEASE SUMMARY

Lease Type: NNN
Landlord Responsibilities: None
Rent Start Date: 4/2/2007
Firm Term End Date: 4/30/2032
Termination Options: 50 x 1 year



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DEMOGRAPHICS



POPULATION

1 Mile	3 Mile	5 Mile
8,788	62,031	104,740



AVERAGE HOUSEHOLD INCOME

1 Mile	3 Mile	5 Mile
\$58,833	\$55,284	\$52,475



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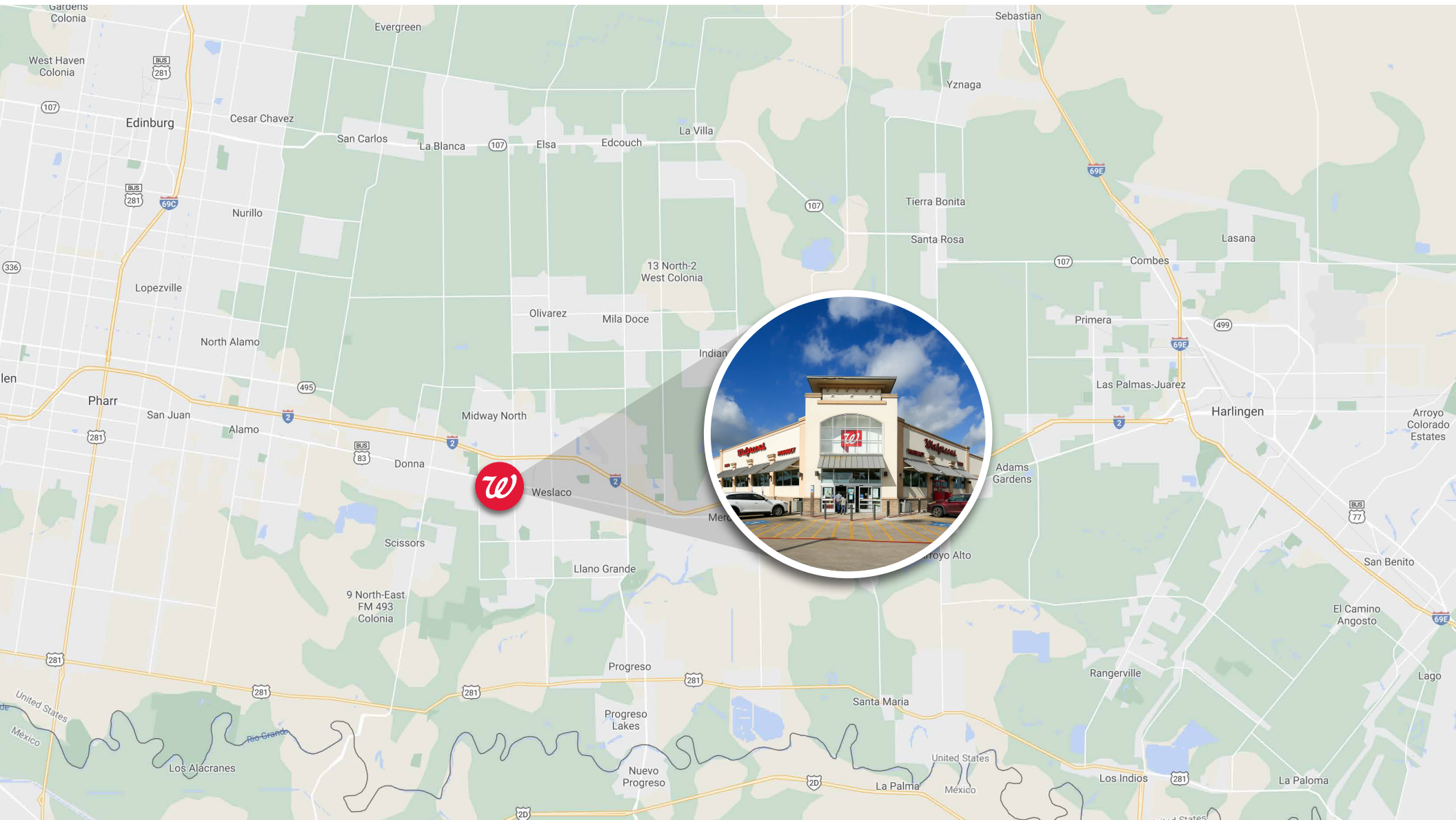


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REGIONAL OVERVIEW



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Art Griffith

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loopnet@deerfieldteam.com

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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.



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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.

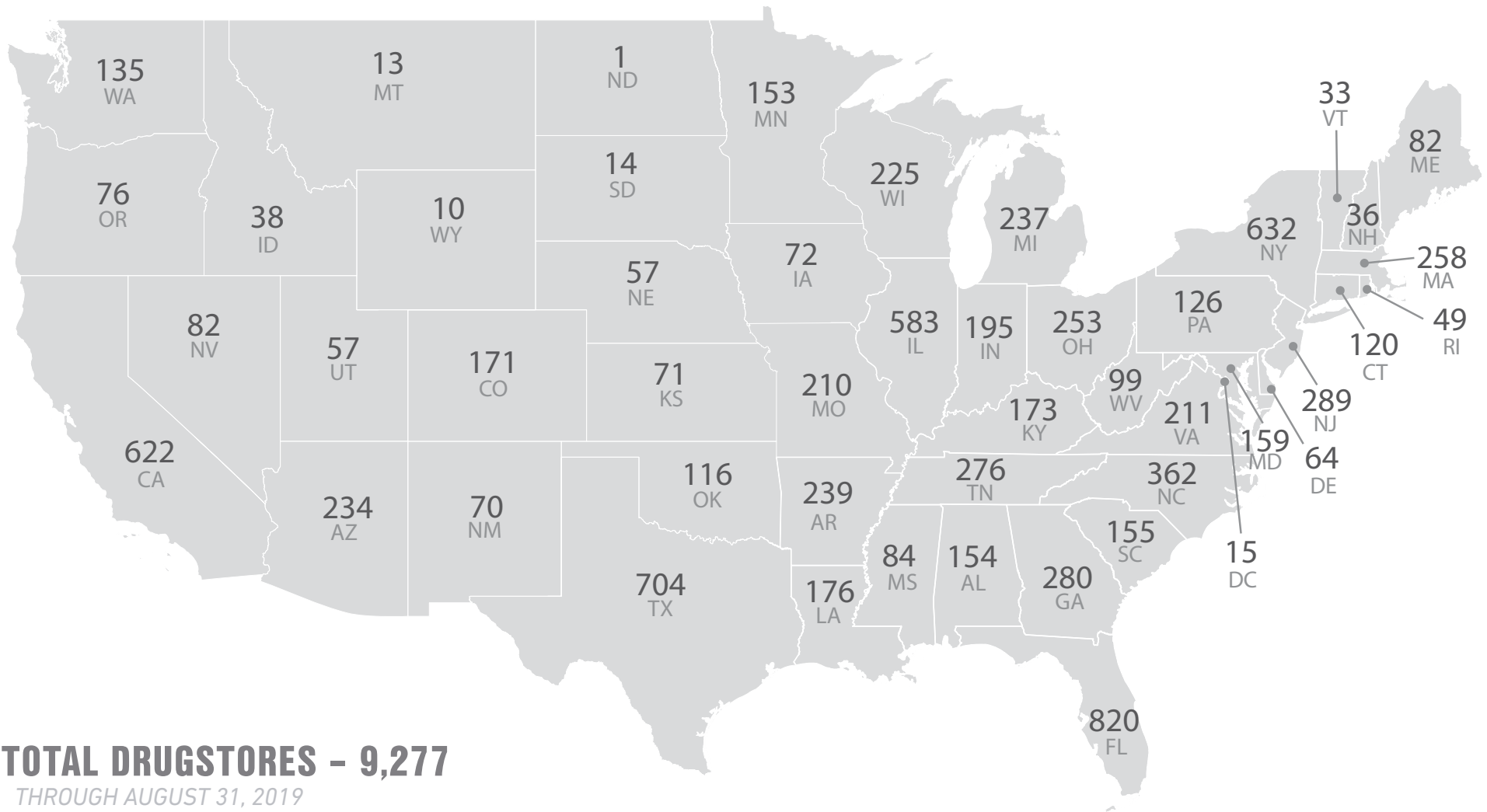
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WALGREENS DRUGSTORES NATIONWIDE BY STATE



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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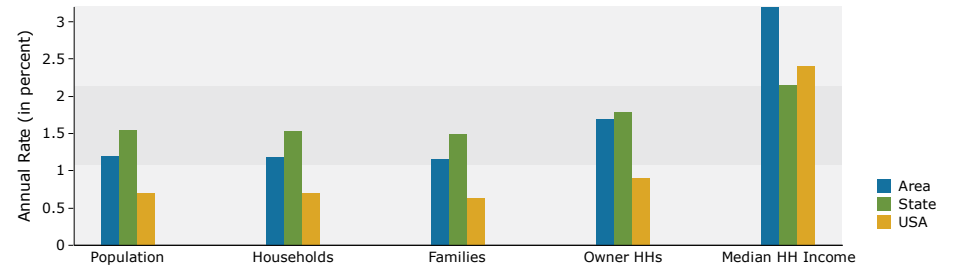
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1-Mile DEMOGRAPHICS

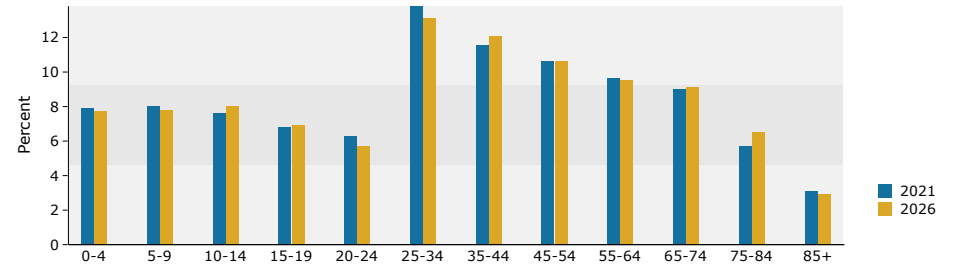
Summary		Census 2010		2021		2026	
Population		8,190		8,788		9,329	
Households		2,687		2,928		3,106	
Families		1,967		2,118		2,244	
Average Household Size		3.02		2.98		2.98	
Owner Occupied Housing Units		1,648		1,821		1,981	
Renter Occupied Housing Units		1,039		1,107		1,124	
Median Age		33.3		34.7		35.6	
Trends: 2021-2026 Annual Rate		Area		State		National	
Population		1.20%		1.54%		0.71%	
Households		1.19%		1.53%		0.71%	
Families		1.16%		1.49%		0.64%	
Owner HHs		1.70%		1.79%		0.91%	
Median Household Income		3.20%		2.15%		2.41%	
Households by Income				2021		2026	
				Number	Percent	Number	Percent
<\$15,000				532	18.2%	498	16.0%
\$15,000 - \$24,999				401	13.7%	376	12.1%
\$25,000 - \$34,999				330	11.3%	328	10.6%
\$35,000 - \$49,999				329	11.2%	331	10.7%
\$50,000 - \$74,999				641	21.9%	710	22.9%
\$75,000 - \$99,999				207	7.1%	257	8.3%
\$100,000 - \$149,999				314	10.7%	393	12.7%
\$150,000 - \$199,999				99	3.4%	130	4.2%
\$200,000+				74	2.5%	83	2.7%
Median Household Income				\$43,087		\$50,434	
Average Household Income				\$58,833		\$65,985	
Per Capita Income				\$19,416		\$21,734	
		Census 2010		2021		2026	
Population by Age		Number	Percent	Number	Percent	Number	Percent
0 - 4		707	8.6%	692	7.9%	722	7.7%
5 - 9		675	8.2%	705	8.0%	732	7.8%
10 - 14		657	8.0%	672	7.6%	742	8.0%
15 - 19		649	7.9%	594	6.8%	645	6.9%
20 - 24		555	6.8%	554	6.3%	531	5.7%
25 - 34		1,022	12.5%	1,212	13.8%	1,223	13.1%
35 - 44		992	12.1%	1,014	11.5%	1,129	12.1%
45 - 54		888	10.8%	931	10.6%	990	10.6%
55 - 64		761	9.3%	848	9.6%	889	9.5%
65 - 74		574	7.0%	793	9.0%	851	9.1%
75 - 84		466	5.7%	501	5.7%	603	6.5%
85+		243	3.0%	273	3.1%	272	2.9%
		Census 2010		2021		2026	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
White Alone		7,024	85.8%	7,447	84.7%	7,958	85.3%
Black Alone		43	0.5%	67	0.8%	85	0.9%
American Indian Alone		41	0.5%	48	0.5%	52	0.6%
Asian Alone		74	0.9%	76	0.9%	82	0.9%
Pacific Islander Alone		0	0.0%	0	0.0%	0	0.0%
Some Other Race Alone		848	10.4%	965	11.0%	961	10.3%
Two or More Races		159	1.9%	185	2.1%	191	2.0%
Hispanic Origin (Any Race)		6,958	85.0%	7,758	88.3%	8,359	89.6%

Mapbox Terrain is licensed by Mapbox.com

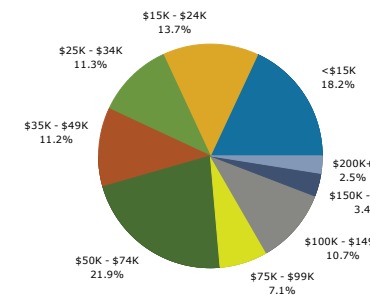
Trends 2021-2026



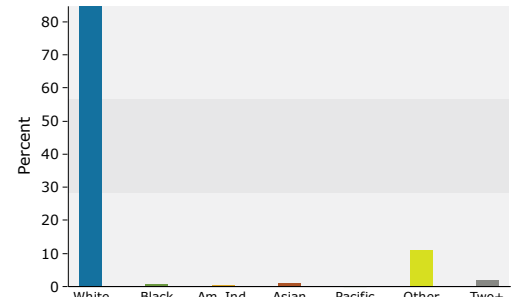
Population by Age



2021 Household Income



2021 Population by Race



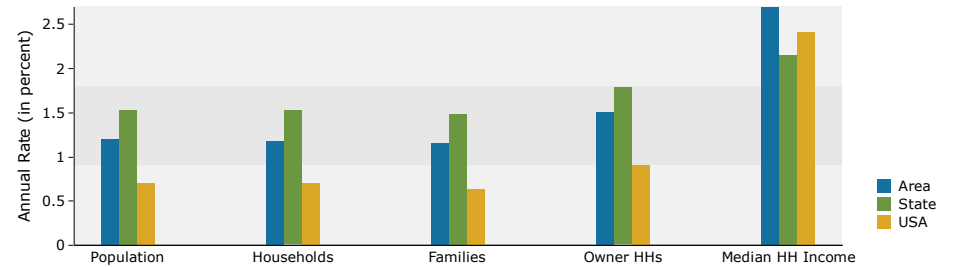
2021 Percent Hispanic Origin: 88.3%

3-Mile DEMOGRAPHICS

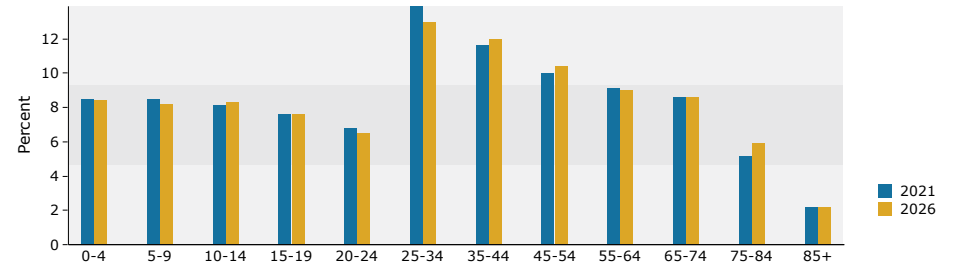
Summary		Census 2010		2021		2026	
Population		53,972		62,031		65,838	
Households		15,986		18,293		19,396	
Families		12,937		14,750		15,621	
Average Household Size		3.34		3.35		3.36	
Owner Occupied Housing Units		10,972		12,726		13,716	
Renter Occupied Housing Units		5,014		5,567		5,680	
Median Age		31.3		32.4		33.5	
Trends: 2021-2026 Annual Rate		Area		State		National	
Population		1.20%		1.54%		0.71%	
Households		1.18%		1.53%		0.71%	
Families		1.15%		1.49%		0.64%	
Owner HHs		1.51%		1.79%		0.91%	
Median Household Income		2.70%		2.15%		2.41%	
Households by Income				2021		2026	
				Number	Percent	Number	Percent
<\$15,000				3,347	18.3%	3,143	16.2%
\$15,000 - \$24,999				2,764	15.1%	2,635	13.6%
\$25,000 - \$34,999				2,171	11.9%	2,203	11.4%
\$35,000 - \$49,999				2,287	12.5%	2,306	11.9%
\$50,000 - \$74,999				3,254	17.8%	3,608	18.6%
\$75,000 - \$99,999				1,721	9.4%	2,060	10.6%
\$100,000 - \$149,999				1,935	10.6%	2,401	12.4%
\$150,000 - \$199,999				505	2.8%	670	3.5%
\$200,000+				309	1.7%	369	1.9%
Median Household Income				\$39,629		\$45,282	
Average Household Income				\$55,284		\$62,177	
Per Capita Income				\$16,297		\$18,305	
		Census 2010		2021		2026	
Population by Age		Number	Percent	Number	Percent	Number	Percent
0 - 4		4,938	9.1%	5,290	8.5%	5,504	8.4%
5 - 9		4,899	9.1%	5,281	8.5%	5,425	8.2%
10 - 14		4,759	8.8%	5,001	8.1%	5,443	8.3%
15 - 19		4,521	8.4%	4,737	7.6%	4,984	7.6%
20 - 24		3,577	6.6%	4,217	6.8%	4,280	6.5%
25 - 34		6,837	12.7%	8,611	13.9%	8,586	13.0%
35 - 44		6,528	12.1%	7,216	11.6%	7,882	12.0%
45 - 54		5,568	10.3%	6,181	10.0%	6,838	10.4%
55 - 64		4,767	8.8%	5,635	9.1%	5,911	9.0%
65 - 74		3,731	6.9%	5,313	8.6%	5,656	8.6%
75 - 84		2,756	5.1%	3,205	5.2%	3,855	5.9%
85+		1,091	2.0%	1,346	2.2%	1,476	2.2%
		Census 2010		2021		2026	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
White Alone		46,556	86.3%	52,955	85.4%	56,601	86.0%
Black Alone		285	0.5%	464	0.7%	574	0.9%
American Indian Alone		256	0.5%	358	0.6%	396	0.6%
Asian Alone		421	0.8%	435	0.7%	466	0.7%
Pacific Islander Alone		5	0.0%	10	0.0%	12	0.0%
Some Other Race Alone		5,644	10.5%	6,838	11.0%	6,797	10.3%
Two or More Races		805	1.5%	971	1.6%	992	1.5%
Hispanic Origin (Any Race)		47,583	88.2%	56,573	91.2%	60,741	92.3%

Map: Trends is expressed in percent dollars

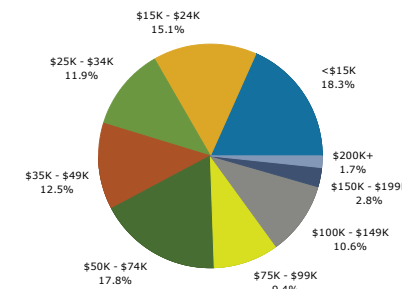
Trends 2021-2026



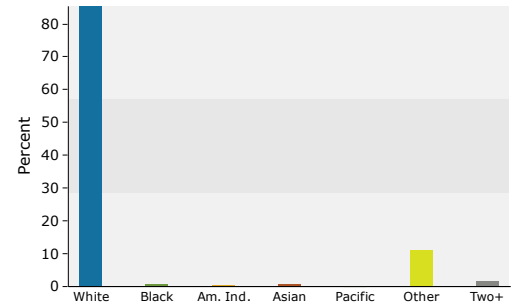
Population by Age



2021 Household Income



2021 Population by Race



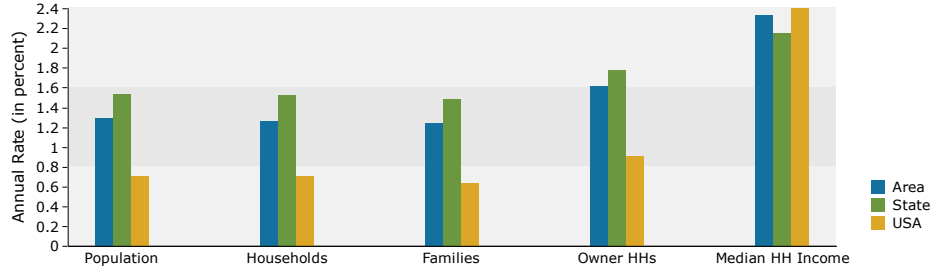
2021 Percent Hispanic Origin:91.2%

5-Mile DEMOGRAPHICS

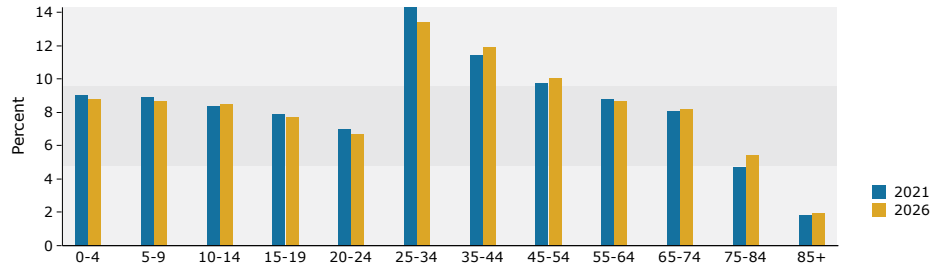
Summary		Census 2010		2021		2026	
Population		90,519		104,740		111,744	
Households		25,807		29,750		31,692	
Families		21,276		24,434		26,000	
Average Household Size		3.48		3.50		3.50	
Owner Occupied Housing Units		18,377		21,472		23,263	
Renter Occupied Housing Units		7,430		8,278		8,430	
Median Age		29.5		30.9		32.2	
Trends: 2021-2026 Annual Rate		Area		State		National	
Population		1.30%		1.54%		0.71%	
Households		1.27%		1.53%		0.71%	
Families		1.25%		1.49%		0.64%	
Owner HHs		1.62%		1.79%		0.91%	
Median Household Income		2.34%		2.15%		2.41%	
Households by Income				2021		2026	
				Number	Percent	Number	Percent
<\$15,000				5,816	19.5%	5,549	17.5%
\$15,000 - \$24,999				4,569	15.4%	4,371	13.8%
\$25,000 - \$34,999				3,692	12.4%	3,746	11.8%
\$35,000 - \$49,999				3,902	13.1%	4,048	12.8%
\$50,000 - \$74,999				5,051	17.0%	5,678	17.9%
\$75,000 - \$99,999				2,661	8.9%	3,205	10.1%
\$100,000 - \$149,999				2,926	9.8%	3,638	11.5%
\$150,000 - \$199,999				725	2.4%	971	3.1%
\$200,000+				409	1.4%	487	1.5%
Median Household Income				\$37,356		\$41,937	
Average Household Income				\$52,475		\$58,911	
Per Capita Income				\$14,914		\$16,715	
		Census 2010		2021		2026	
Population by Age		Number	Percent	Number	Percent	Number	Percent
0 - 4		8,790	9.7%	9,427	9.0%	9,883	8.8%
5 - 9		8,789	9.7%	9,352	8.9%	9,686	8.7%
10 - 14		8,401	9.3%	8,797	8.4%	9,532	8.5%
15 - 19		7,819	8.6%	8,258	7.9%	8,626	7.7%
20 - 24		6,203	6.9%	7,319	7.0%	7,469	6.7%
25 - 34		11,587	12.8%	14,935	14.3%	14,972	13.4%
35 - 44		10,852	12.0%	11,966	11.4%	13,285	11.9%
45 - 54		9,078	10.0%	10,149	9.7%	11,178	10.0%
55 - 64		7,597	8.4%	9,192	8.8%	9,717	8.7%
65 - 74		5,832	6.4%	8,475	8.1%	9,190	8.2%
75 - 84		4,107	4.5%	4,954	4.7%	6,039	5.4%
85+		1,466	1.6%	1,916	1.8%	2,167	1.9%
		Census 2010		2021		2026	
Race and Ethnicity		Number	Percent	Number	Percent	Number	Percent
White Alone		77,803	86.0%	89,085	85.1%	95,744	85.7%
Black Alone		401	0.4%	658	0.6%	815	0.7%
American Indian Alone		373	0.4%	527	0.5%	586	0.5%
Asian Alone		490	0.5%	517	0.5%	557	0.5%
Pacific Islander Alone		7	0.0%	14	0.0%	16	0.0%
Some Other Race Alone		10,022	11.1%	12,211	11.7%	12,243	11.0%
Two or More Races		1,422	1.6%	1,728	1.6%	1,783	1.6%
Hispanic Origin (Any Race)		80,817	89.3%	96,396	92.0%	103,920	93.0%

* Median Income is expressed in current dollars

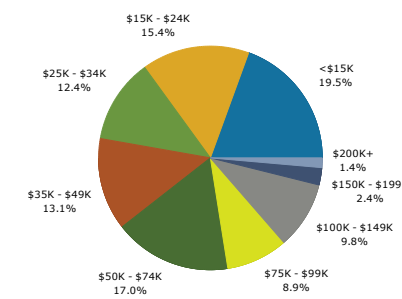
Trends 2021-2026



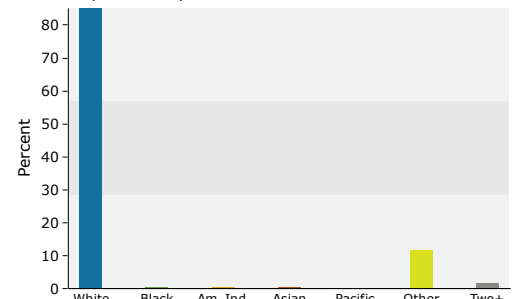
Population by Age



2021 Household Income



2021 Population by Race



2021 Percent Hispanic Origin:92.0%

John Giordani

Partner

loopnet@deerfieldteam.com

888-434-9701

Arthur Griffith

Partner

loopnet@deerfieldteam.com

888-434-9701

Deerfield Partners

201 Mission Street

12th Floor

San Francisco, CA 94105

deerfieldteam.com

100% Focused on Drugstores

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