



# WALGREENS LEASEHOLD INTEREST | 43,050 VPD!

ACTUAL PROPERTY

4467 DEVINE STREET, COLUMBIA, SC 29205

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## STATE BROKER OF RECORD:

### BRIAN BROCKMAN

BANG REALTY, INC.

11427 REED HARTMAN HWY #236

CINCINNATI, OH 45241

513.657.3645

## INVESTMENT SUMMARY

List Price:	\$4,959,167
Current NOI:	\$297,550.00
Initial Cap Rate:	6.00%
Land Acreage:	+/- 1.76
Year Built	2003
Building Size:	14,560 SF
Price PSF:	\$340.60
Purchasing:	Walgreens Leasehold Interest that operates on an Absolute NNN Ground Lease
Lease Term:	25 Years
Average CAP Rate:	6.00%

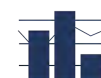
## INVESTMENT OFFERING

Fortis Net Lease is pleased to present this 14,560 SF Walgreens store located in Columbia, South Carolina. **This sale would be for the leasehold interest in the building as there is a separate Ground Lease in play.** The property is secured with a 25 Year Absolute NNN Ground Lease. The lease also contains four (5 year) options and one (10 year) option to renew each with a rental rate increase. The lease is corporately guaranteed by Walgreens Corporation which holds a credit rating of "BBB", which is classified as Investment Grade. The store has been open & operating successfully since rent commenced in July of 2003. **It is ranked in the top 11% of performing stores in the entire state of South Carolina (15 out of 133)! Also ranked in the top 15% of performing stores within a 15 mile radius (3 out of 20).**

This Walgreens is highly visible as it is strategically positioned on the hard, signalized corner of Devine Street and Cross Hill Road which sees 43,050 cars per day. The store is surrounded by national tenants like Food Lion, Whole Foods, Target, Michaels, and Marshalls and also across from Midlands Technical College - Beltline Campus. The five mile population from the site is 145,475 while the one mile average household income is \$89,271 per year, making this location ideal for a Walgreens. This area is also experiencing steady growth and sees consumer spending within a 5 mile radius at \$1.6 Billion. The Subject offering represents an ideal opportunity for a 1031 exchange buyer or a "passive" investor to attain the fee simple ownership of a Walgreens. This investment will offer a buyer continued success due to the financial strength and the proven profitability of the tenant. List price reflects a 6.00% cap rate based on NOI of \$297,550.



PRICE \$4,959,167



CAP RATE 6.00%



FOR SALE Leasehold Interest



TERM REMAINING 6.5 Years

## INVESTMENT HIGHLIGHTS

- 25 Year Absolute NNN Lease | Zero Landlord Responsibilities
- **Sale for the Leasehold Interest Only | Separate Absolute NNN Ground Lease**
- **Located on a Hard Signalized Corner | Store Reports Strong Sales!**
- **Performs in the Top 11% of Stores in South Carolina (15/133)! Ranked in the Top 15% of Performing Stores Within a 15 Mile Radius (3/20)!**
- Four (5 Year) and 1 (10 year) Options with Rental Rate Increases at Each Option
- **Adjacent to Food Lion, Whole Foods, Michaels, Marshalls, and Many Other National Retailers**
- **Across From Midlands Technical College - Beltline Campus**
- **43,050 Cars Per Day at Devine Street and Cross Hill Road**
- One Mile Household Income \$89,271
- **5 Mile Population 145,475 | 5 Mile Consumer Spending \$1.6 Billion**
- Ground Lease Rent Yrs 1-20: \$145,000; Yrs 21-25: \$160,000; Yrs 26-30: \$175,000; Yrs 31-35: \$190,000; Yrs 36-40: \$210,000; Yrs 41-50: \$235,000

## FINANCIAL SUMMARY

INCOME		PER SF
Rent	\$442,550.00	\$30.39
<b>Gross Income</b>	<b>\$442,550.00</b>	<b>\$30.39</b>
EXPENSE		PER SF
Ground Lease Payment	\$145,000	\$9.96
<b>Gross Expenses</b>	<b>\$145,000</b>	<b>\$9.96</b>
<b>NET OPERATING INCOME</b>	<b>\$297,550.00</b>	<b>\$20.44</b>

## PROPERTY SUMMARY

Year Built:	2003
Lot Size:	1.76 +/- Acres
Building Size:	14,560 SF
Traffic Count:	43,050
Roof Type:	Rubber Membrane
Zoning:	Commercial
Construction Style:	Prototype - All Brick
Parking Lot:	Concrete
HVAC	Roof Mounted

## LEASE SUMMARY

Tenant:	Walgreens
What is Being Sold:	Walgreens Leasehold Interest that operates on an Absolute NNN Ground Lease
Primary Lease Term:	25 Years
Annual Rent:	\$442,550.00
Rent PSF:	\$30.39
Landlord Responsibilities:	None
Ground Lease Payment:	Yrs 1-20: \$145,000; Yrs 21-25: \$160,000; Yrs 26-30: \$175,000; Yrs 31-35: \$190,000; Yrs 36-40: \$210,000; Yrs 41-50: \$235,000
Taxes, Insurance & CAM:	Tenant Responsibility
Roof, Structure & Parking:	Tenant Responsibility
Lease Start Date:	7/1/2003
Lease Expiration Date:	6/30/2028
Lease Term Remaining:	6.5 Years
Rent Bumps:	At Each Option Period (See Rent Roll Page)
Renewal Options:	Four (5 Year)
Lease Guarantor:	Corporate
Lease Guarantor Strength:	BBB (Investment Grade)



**GROSS SALES:**  
\$139.5 BILLION



**STORE COUNT:**  
8,900+



**GUARANTOR:**  
CORPORATE



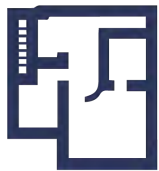
**S&P:**  
BBB

# WALGREENS | LEASEHOLD INTEREST ONLY

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TENANT NAME	UNIT SIZE (SF)	LEASE START	LEASE END	ANNUAL RENT	% OF GLA	ESC. DATE	RENT PER SF/YR
Walgreens	14,560	7/1/2003	6/30/2028	\$442,550	100.0		\$30.39
		Option 1		\$450,050		7/1/2028	\$30.91
		Option 2		\$457,550		7/1/2033	\$31.43
		Option 3		\$467,550		7/1/2038	\$32.11
		Option 4		\$480,050		7/1/2043	\$32.97
<b>Totals/Averages</b>	<b>14,560</b>			<b>\$442,550</b>			<b>\$30.39</b>



**TOTAL SF**  
14,560



**TOTAL ANNUAL RENT**  
\$442,550



**OCCUPANCY RATE**  
100.0%



**AVERAGE RENT/SF**  
\$30.39



**NUMBER OF TENANTS**  
1







## OVERVIEW

Company:	Walgreens Company
Founded:	1901
Total Revenue:	\$139.5 Billion
Net Income:	\$456 Million
Net Worth:	\$40.25 Billion
Headquarters:	Deerfield, Illinois
Website:	www.walgreens.com

## TENANT HIGHLIGHTS

- Traded on the New York Stock Exchange (NASDAQ: WBA)
- Walgreens employs more than 240,000 people
- Walgreens filled 1.1 billion prescriptions (including immunizations) on a 30-day adjusted basis in fiscal 2018
- As of August 2018, approximately 78 percent of the U.S. population lives within five miles of a Walgreens, Duane Reade or Walgreens-owned Rite Aid store

## RENT SCHEDULE

LEASE YEARS	ANNUAL RENT	MONTHLY RENT	BUMP	YIELD
1-25	\$442,550	\$36,879.17	-	6.00%
Option 1 (5 Yrs)	\$450,050	\$37,504.17	1.69%	6.15%
Option 2 (5 Yrs)	\$457,550	\$38,129.17	1.67%	6.30%
Option 3 (5 Yrs)	\$467,546	\$38,962.50	3.89%	6.50%
Option 4 (10 Yrs)	\$480,050	\$40,004.17	2.67%	6.76%

## COMPANY INFORMATION

Walgreens is an American company that operates as the second-largest pharmacy store chain in the United States behind CVS Health. It specializes in filling prescriptions, health and wellness products, health information, and photo services. It was founded in Chicago, Illinois, in 1901. The Walgreens headquarters office is in the Chicago suburb of Deerfield, Illinois.

Walgreens stores were once connected to local groceries. In Chicago, their flagship market, they teamed up with either Eagle Food Centers or Dominick's Finer Foods, usually with a "walkthru" to the adjoining store and often sharing personnel. This concept was instated to compete with the popular dual store format used by chief competitor Jewel-Osco/Albertsons-Sav-On. They eventually ended the relationship with Eagle and focused primarily on a connection to the Dominick's stores. PharmX-Rexall filled the vacated Walgreen locations joined to Eagle stores. In its 2009 business model, Walgreens are freestanding corner stores, with the entrance on the street with the most traffic flow, figuratively making it a "corner drugstore" similar to how many independent pharmacies evolved. Many stores have a drive-through pharmacy.

Since 1901 Walgreens has been committed to giving back in the an integral partner in the communities we serve. As part of Walgreens Boot Alliance, it works with key partners in the following areas: Health and Wellbeing - To support the health, wellbeing and vitality of the communities it serves; Cancer Programs - To develop and mobilize the resources and partnerships in the fight against cancer; and Supporting Young People - To enable young people to achieve their potential wherever they are in the world. Through the Community initiatives it supports the following United Nations Sustainable Development Goals (SDGs): No Poverty, Zero Hunger, Good Health and Well-Being, Quality Education, Sustainable Cities and Communities, Partnerships for the Goals.



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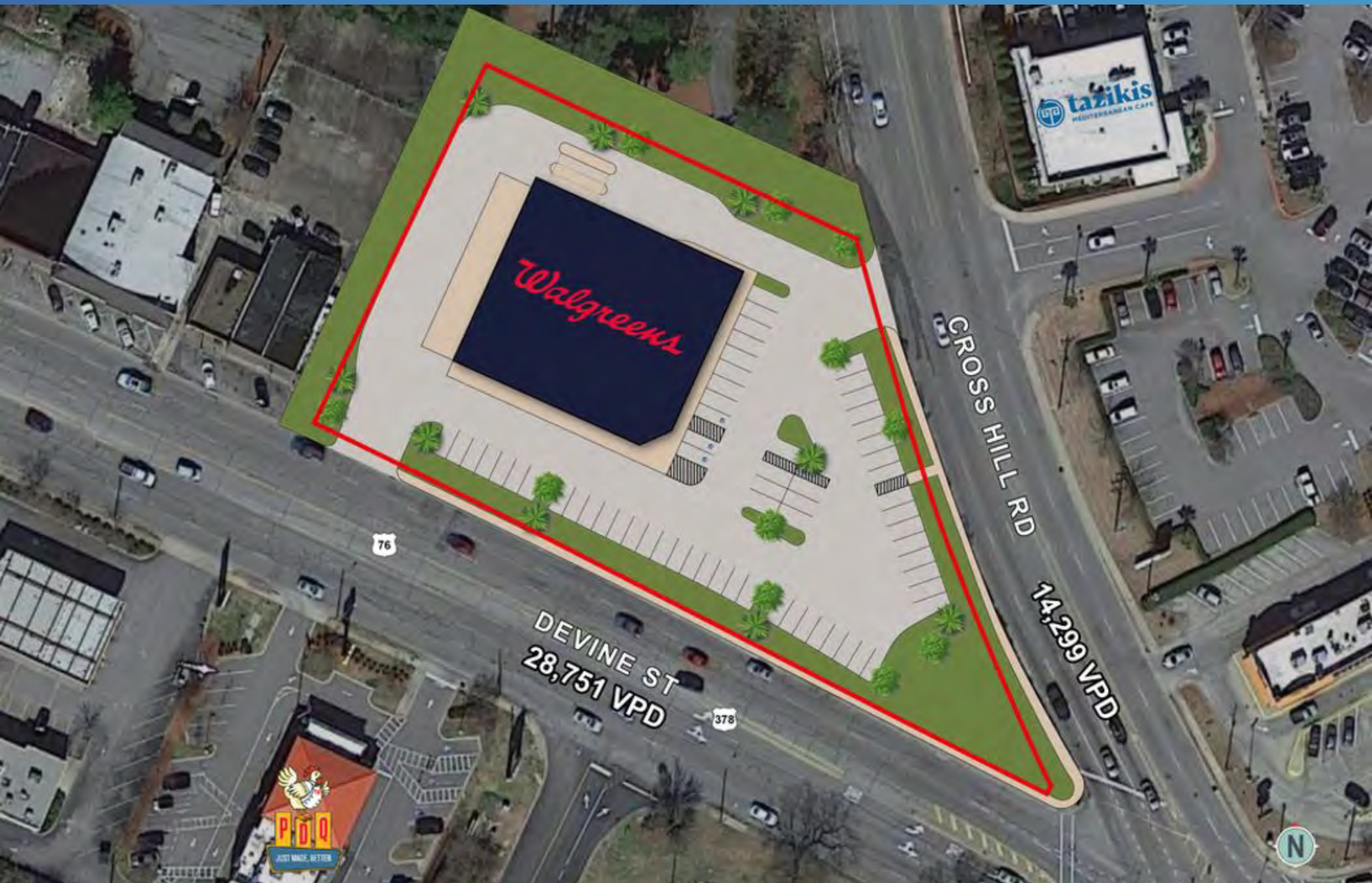




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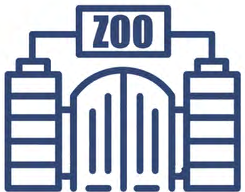
## PROXIMITY TO LOCAL ATTRACTIONS



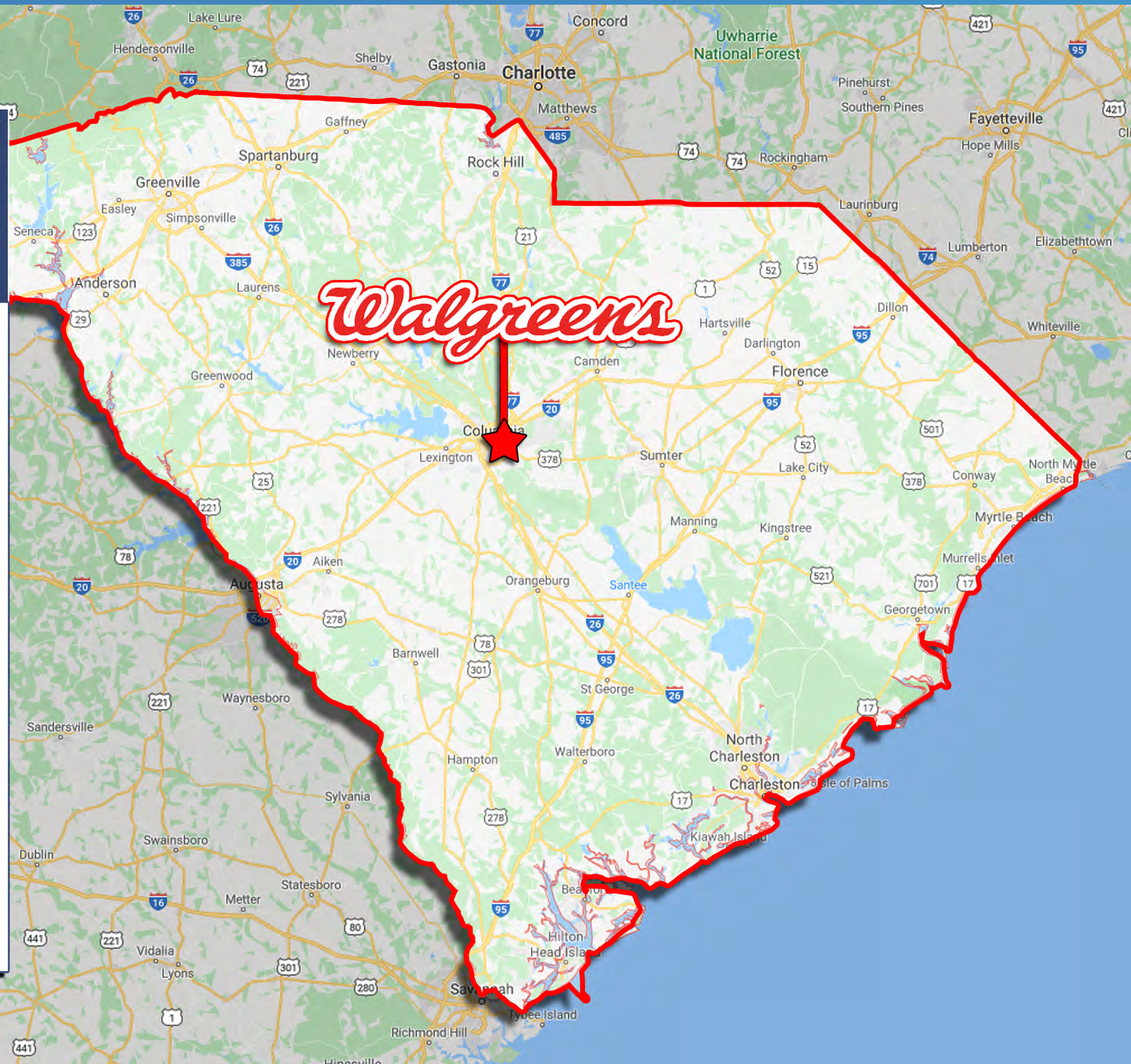
**11 Miles  
Columbia  
Metropolitan  
Airport**



**3.7 Miles  
Downtown  
Columbia, SC**



**7 Miles  
Riverbanks  
Zoo &  
Garden**

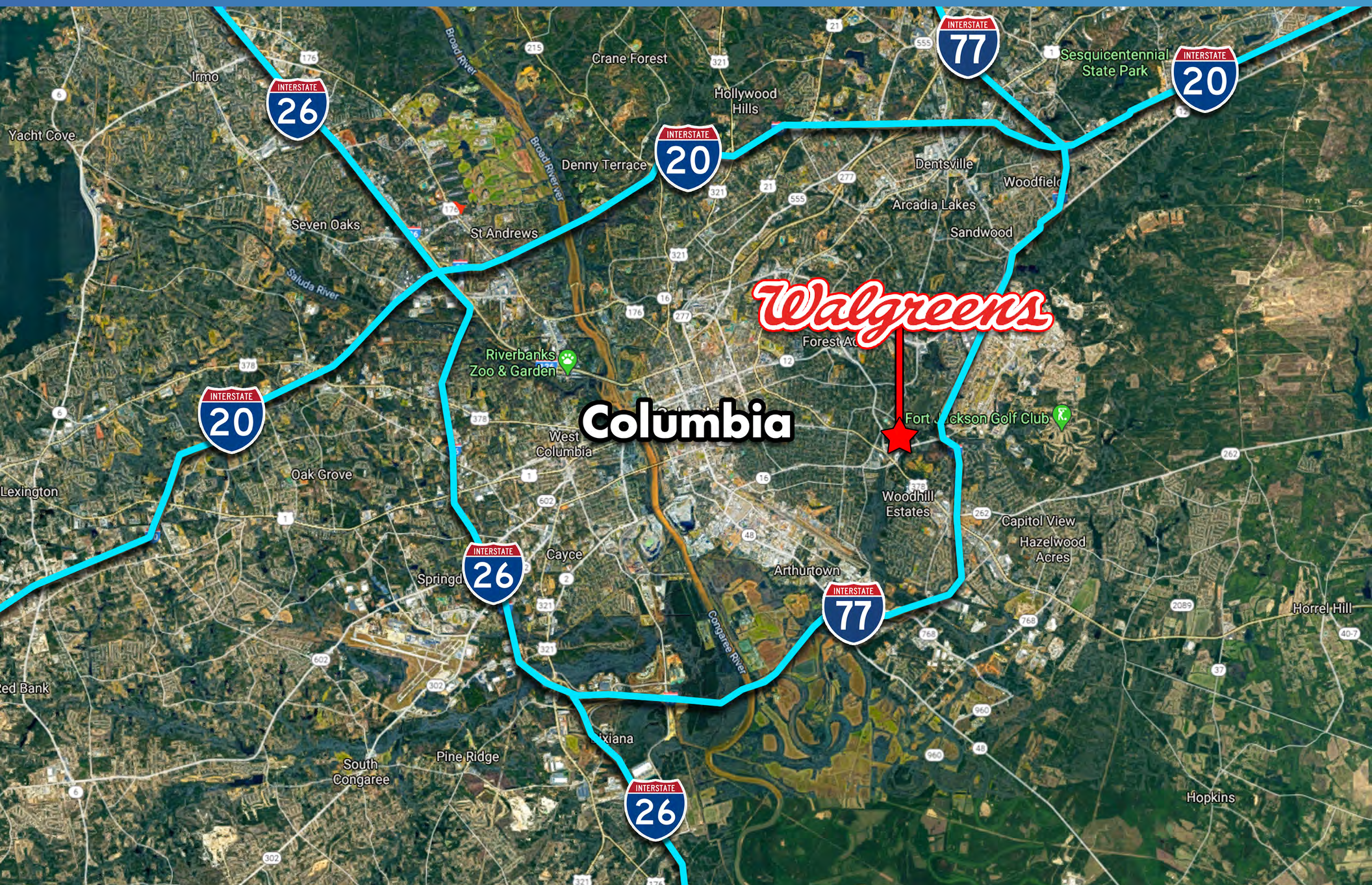




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Columbia is the capital and second largest city of South Carolina, with a population estimate of 133,451 as of 2018. The city serves as the county seat of Richland County, and a portion of the city extends into neighboring Lexington County. It is the center of the Columbia metropolitan statistical area, which had a population of 832,666 as of 2018, according to the U.S. Census estimates. This makes it the 70th largest metropolitan statistical area in the nation.

The name Columbia is a poetic term used for the United States, originating from the name of Christopher Columbus. The city is located about 13 miles northwest of the geographic center of South Carolina, and is the primary city of the Midlands region of the state. Columbia is home to the University of South Carolina, the state's flagship university and the largest in the state, and is also the site of Fort Jackson, the largest US Army installation for Basic Combat Training. Columbia is also located 20 miles west of the site of McEntire Joint National Guard Base, which is operated by the U.S. Air Force and is used as a training base for the 169th Fighter Wing of The SC Air National Guard. Columbia is also the location of the South Carolina State House, which is the center of government for the state. In 1860, the city was the location of the SC Secession Convention, which marked the departure of the first state from the Union in the events leading up to the Civil War.

In the heart of South Carolina, tradition and tomorrow pair perfectly in Columbia. It's a modern city where stately buildings buzz with new business, and centuries-old sites give rise to fresh perspectives. It's a creative hub that's fed by university and capital city communities -- all this in the midst of surrounding natural beauty. With dynamite shopping, food and tons to see and do year round, it's the real Southern hot spot that will leave you looking forward to what's next.

POPULATION	1 MILE	3 MILES	5 MILES
Total Population 2021	9,032	72,082	145,475
Total Population 2026	9,185	73,303	149,159
Population Growth Rate	1.69%	1.69%	2.53%
Median Age	37.0	32.0	32.7
# Of Persons Per HH	2.0	2.1	2.2
HOUSEHOLDS & INCOME	1 MILE	3 MILES	5 MILES
Total Households	4,477	29,813	59,571
Average HH Income	\$89,271	\$83,752	\$72,225
Median House Value	\$299,496	\$248,090	\$180,106
Consumer Spending	\$131.1 M	\$857.6 M	\$1.6 B





TOTAL SALES VOLUME

\$7.5B

PROPERTIES SOLD

3,600+

BROKER & BUYER REACH

345K

STATES SOLD IN

44

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