



## Walgreens - Deerfield Beach, FL

1041 E. Hillsboro Boulevard • Deerfield Beach, FL 33441

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Like all real estate investments, this investment carries significant risks. Buyer and Buyer's legal and financial advisors must request and carefully review all legal and financial documents related to the property and tenant. While the tenant's past performance at this or other locations is an important consideration, it is not a guarantee of future success. Similarly, the lease rate for some properties, including newly-constructed facilities or newly-acquired locations, may be set based on a tenant's projected sales with little or no record of actual performance, or comparable rents for the area. Returns are not guaranteed; the tenant and any guarantors may fail to pay the lease rent or property taxes, or may fail to comply with other material terms of the lease; cash flow may be interrupted in part or in whole due to market, economic, environmental or other conditions.

Regardless of tenant history and lease guarantees, Buyer is responsible for conducting his/her own investigation of all matters affecting the intrinsic value of the property and the value of any long-term lease, including the likelihood of locating a replacement tenant if the current tenant should default or abandon the property, and the lease terms that Buyer may be able to negotiate with a potential replacement tenant considering the location of the property, and Buyer's legal ability to make alternate use of the property.

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# EXECUTIVE SUMMARY





# Executive Summary



Offering Price

\$11,780,000



Rent per Square Foot

\$32.11



CAP Rate

4.50%

Address: ..... 1041 E. Hillsboro Boulevard  
Deerfield Beach, FL 33441

APN: ..... 4843-06-72-0020

Lot Size: ..... 1.49 Acres

Rentable SF: ..... 16,507 SF

Year Built: ..... 2010

Marcus & Millichap is proud to exclusively market for sale this Walgreens-leased property in highly desirable Deerfield Beach, FL. The property has an above average store size of approx. 16,507 square feet and includes both a drive-thru lane and liquor store. The asset is strategically located off Federal Highway and on E Hillsboro Boulevard, both considered major traffic arteries with a combined traffic count of 65,000+ VPD. Walgreens has over 13 Years remaining on its net lease, offering investors passive ownership while benefitting from strong cash flow in a market with high barriers to entry.

# Investment Highlights



Corporate Absolute NNN lease with zero landlord responsibilities



Over 13 years remaining on base lease term



24-Hour store with drive-thru pharmacy and a liquor store



Walgreens is ranked #16 on Fortune 500 List, #36 on Fortune 500 Global List



S&P investment grade credit rating of "BBB" with an annual revenue of \$132.5 billion

## LOCATION HIGHLIGHTS



Prime retail location in Upscale Deerfield Beach less than one mile from pristine white sand beaches, shopping, and restaurants



Strategically located on the Northeast corner of busy Federal Hwy. and East Hillsboro Blvd. with a combined traffic count of 65,000 VPD



Excellent access and visibility on prominent East Hillsboro Boulevard



Average household income exceeding \$101,000 within one mile of subject property



Densely populated area with over 222,000 People living within 5-Mile radius



Surrounded by a strong mix of national retailers such as Publix Supermarket, LA Fitness, PNC Bank, and many more



Tiara East

Wyndham  
Deerfield Beach  
Resort

Penthouse North  
Association

One Ocean  
Boulevard

Intracoastal Waterway

Hillsboro Cove  
Condominium

Hillsboro Landings  
One Condo



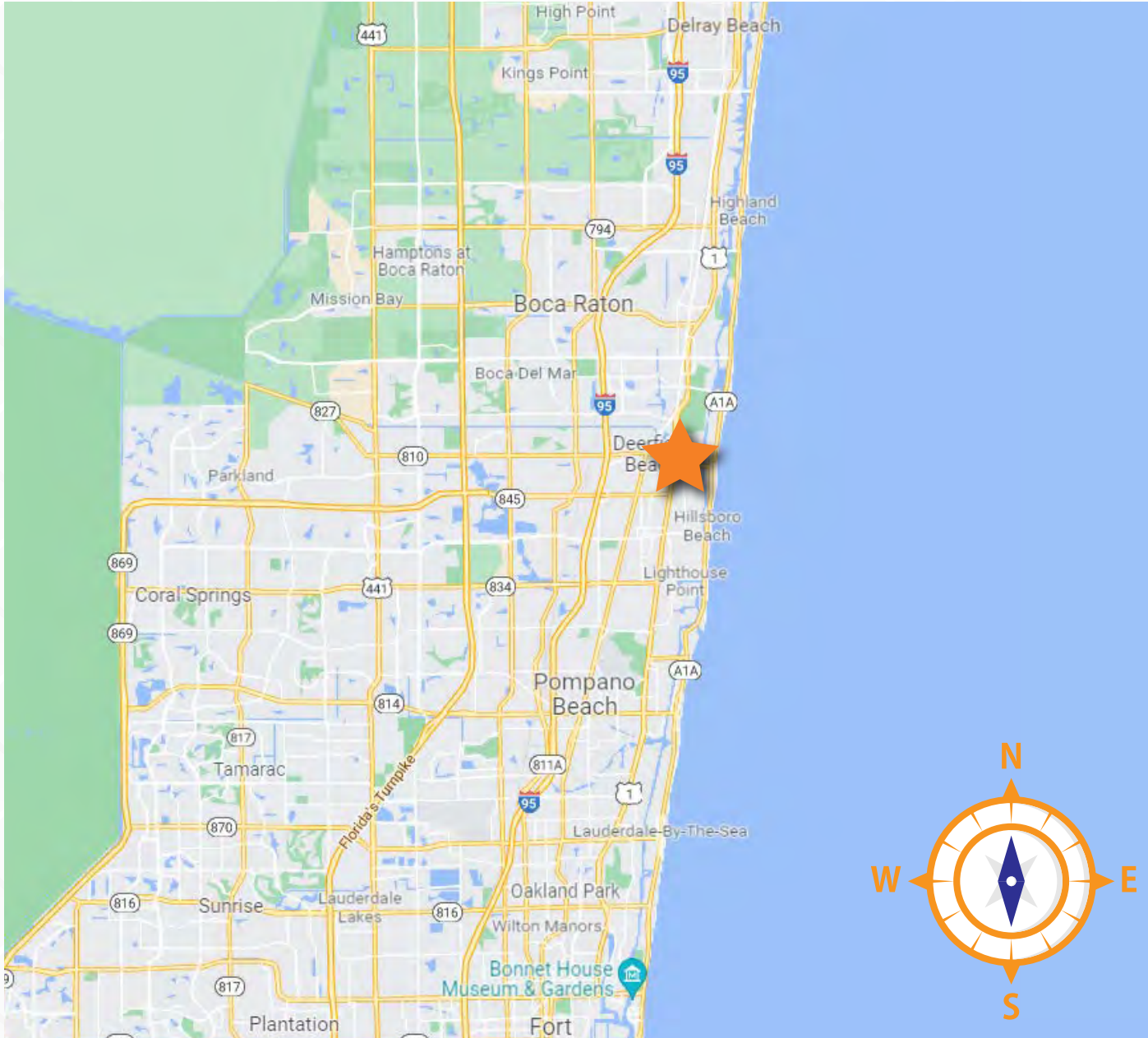
E. HILLSBORO BLVD. • 22,500 VPD



# PROPERTY SUMMARY

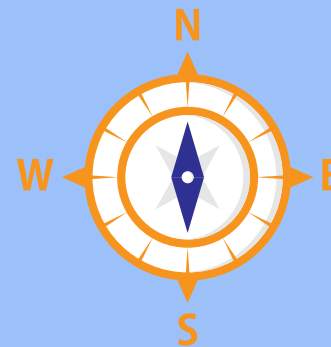


# Regional Map



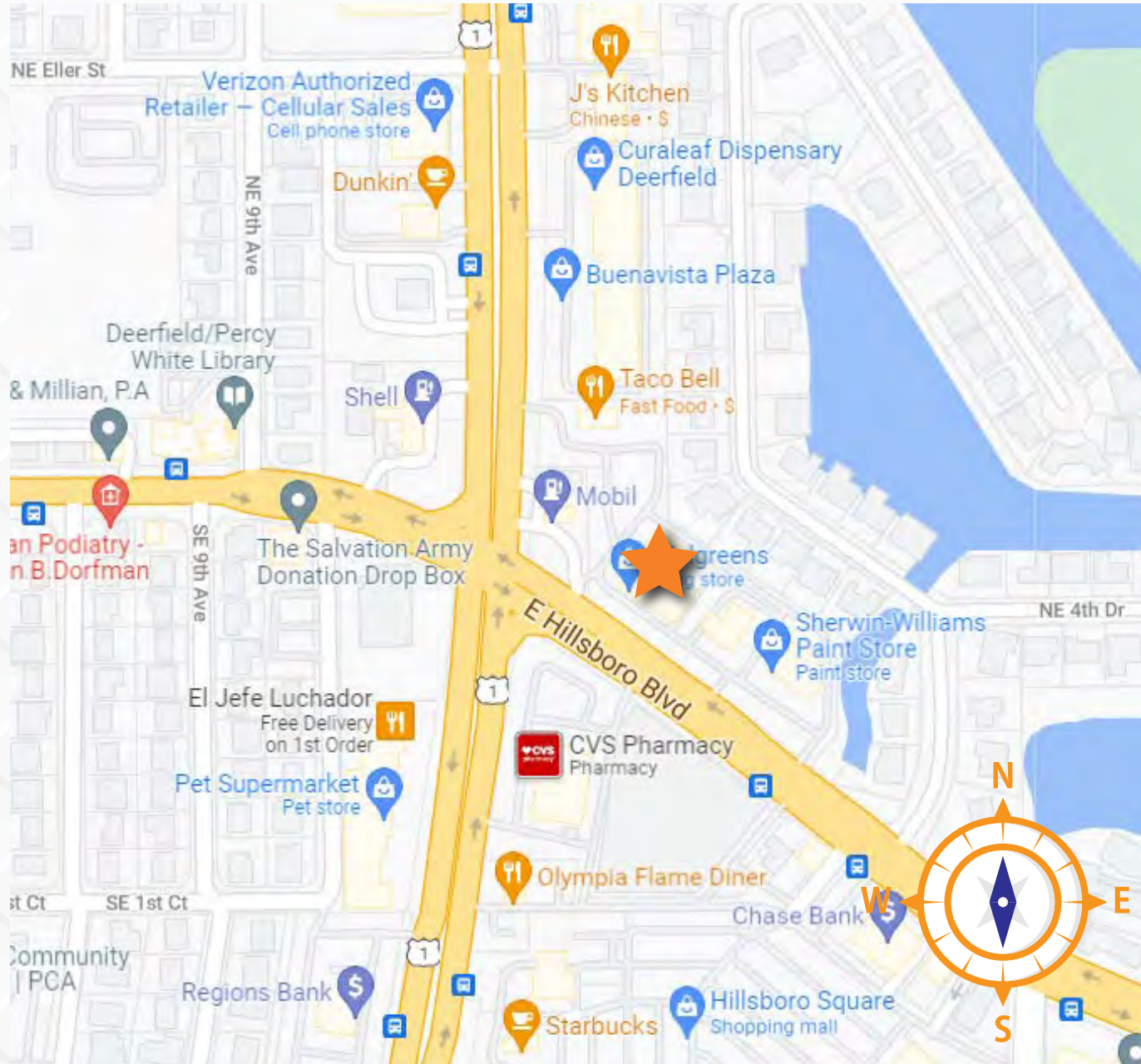
## Walgreens

1041 E. Hillsboro Boulevard  
Deerfield Beach, FL 33441





# Local Map




## Walgreens

1041 E. Hillsboro Boulevard  
Deerfield Beach, FL 33441

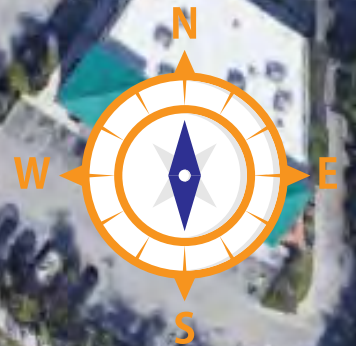


# Parcel Map

APN:  
4843-06-72-0020

 **FEDERAL HWY / US 1 • 43,000 VPD**

**E. HILLSBORO BLVD • 22,500 VPD**





# Surrounding Retail Aerial



**Subject Property**

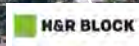


**E. HILLSBORO BLVD. • 22,500 VPD**

**FEDERAL HWY. / US 1 • 43,000 VPD**







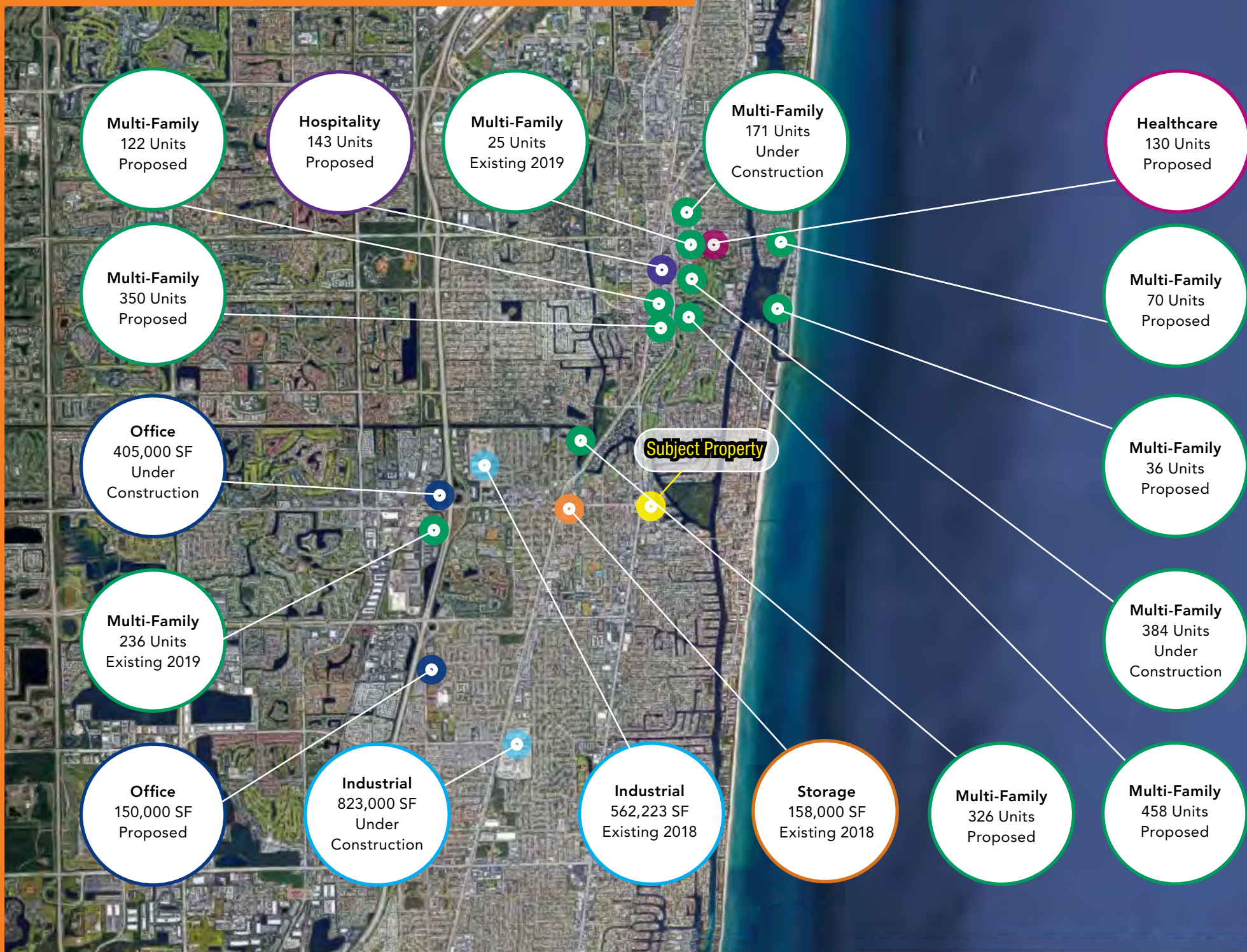
E. HILLSBORO BLVD. • 22,500 VPD

FEDERAL HWY. / US 1 • 43,000 VPD





# Surrounding Development Map





# FINANCIALS





# Financial Overview

| Property Overview     |   |
|-----------------------|---|
| Address:              | 1041 E Hillsboro Boulevard<br>Deerfield Beach, FL 33441 |
| Price:                | \$11,780,000  |
| Cap Rate:             | 4.50%   |
| Rentable Square Feet: | 16,507 SF   |
| Annual Rent:          | \$530,000   |
| Rent/Square Foot:     | \$32.11   |
| Land Area:            | 1.49 Acres / 64,945 SF                                  |
| Year Built:           | 2010  |

| Base Term           | Annual    | Rent/SF | CAP Rate |
|---------------------|-----------|---------|----------|
| Current - 6/30/2035 | \$530,000 | \$32.11 | 4.50%    |

| Option Periods       | Annual    | Rent/SF | CAP Rate |
|----------------------|-----------|---------|----------|
| 7/1/2035 - 6/30/2085 | \$530,000 | \$32.11 | 4.50%    |

| Lease Summary         |                     |                    |                              |
|-----------------------|---------------------|--------------------|------------------------------|
| Tenant:               | Walgreens Co.       | Option Periods:    | Fifty (50), One-Year Options |
| Website:              | www.walgreens.com   | Rental Increases:  | None                         |
| Lease Guarantor:      | Corporate Guarantee | Roof & Structure:  | Tenant Responsibility        |
| Lease Type:           | Absolute Net        | Rent Commencement: | 6/25/2010                    |
| Lease Term Remaining: | Approx. 13.4 Years  | Lease Expiration:  | 6/30/2035                    |



## Tenant Overview



Walgreens Boots Alliance, Inc. operates as a pharmacy led health and well being company. The company operates through three segments: Retail Pharmacy USA, Retail Pharmacy International, and Pharmaceutical Wholesale. The Retail Pharmacy USA segment sells prescription drugs and an assortment of general merchandise, convenience foods, and more through its retail drugstores and convenient care clinics. It also provides specialty pharmacy services; and manages in-store clinics under the brand Healthcare Clinic.

As of August 31, 2016, this segment operated over 13,700 retail stores under the Walgreens and Duane Reade brands in the United States; 7 specialty pharmacy locations; managed approximately 400 Healthcare Clinics. The Retail Pharmacy International segment sells prescription drugs; and health, beauty, toiletry, and other consumer products through its pharmacy led health and beauty stores, as well as through boots.com and BootsWebMD.com. The Boots segment operated 4,673 retail stores under the No. 7, Boots Pharmaceuticals, Botanics, Liz Earle, Soap & Glory, and only at Boots brand names in the United Kingdom, Mexico, Chile, Thailand, Norway, the Republic of Ireland, the Netherlands, and Lithuania; and 636 optical practices in the United Kingdom. Walgreens Boots Alliance, Inc. was founded in 1901 and is based in Deerfield, Illinois.



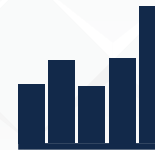
**9,560**  
LOCATIONS



**DEERFIELD, IL**  
HEADQUARTERS



**\$132.5 BILLION**  
IN SALES VOLUME  
(2021)



**NYSE: WBA**  
STOCK SYMBOL

**BBB**

**STANDARD & POOR'S**  
CREDIT RATING



# AREA OVERVIEW





# City of Deerfield Beach

The City of Deerfield Beach is strategically located in Broward County and centrally located in the larger Tri-County region. The City has excellent highway access to its commercial and industrial corridors with two interchanges on I-95 and direct access to the Florida Turnpike from SW 10th Street. It is home to a dynamic coastal community of more than 77,000 residents, where partnerships are a top priority from government to community to business.

The City has over 300+ vacant undeveloped acres, of which, 126+ acres are industrial and 78+ acres commercial land uses. The vacant land is scattered throughout the City with several small lots west of Dixie Highway and larger portions in industrial areas in the western part of the City. The land available in the City is an increasingly valuable commodity, providing the platform for significant job expansion. The City's available industrial and commercial acreage alone could accommodate space for 28,000 to 43,000 new jobs. The City's 5,665 business establishments employ over 62,000 workers and generate local annual sales of over \$19.3 billion. The City's core industry composition, mix, and availability of support services provides significant competitive advantages and potential growth opportunities that may be unique to South Florida.

- Central Location and Transportation Access
- Land Availability in a Land-Starved Region
- A Significant, Interconnected and Diversified Local Economy
- The Advanced Industries Sector in Deerfield Beach
- Potentially Transformative Major Development Opportunities





# City of Deerfield Beach Improvements

## Hillsboro Boulevard

Efforts are underway to improve this gateway including streetscape upgrades and private sector developments. FDOT has planned improvements on Hillsboro Boulevard from Military Trail to US 1. The improvements under this project consist of improving the off-ramp from northbound I-95 to eastbound Hillsboro Boulevard including adding a new signalized intersection and adding second lane to increase capacity, relocating and upgrading drainage structures, upgrading crosswalk ramps to meet ADA requirements, constructing new stamped asphalt crosswalks from east of Natura Boulevard to US 1, upgrading existing pedestrian signals to countdown timers, upgrading signalized intersections to mast arms, installing new decorative lighting, constructing new medians east of SE 2 Avenue, removing old asphalt and resurfacing the roadway, upgrading signs and pavement markings to reflect the new roadway configuration.

## The Hillsboro Technology Center

The Hillsboro Technology Center situated on 75± acres, is a state-of-the-art business park comprised of industrial, office, and hotel product. Upon build-out of the entire Park, the total square footage of the constructed buildings will total around one million square feet. The project will include on-site improvements, such as retention lakes, a public park, new roads and sidewalks. Hillsboro Technology Center will set the new standard of design and construction in the area with its contemporary design and unparalleled connectivity to I-95.

## Pioneer Grove

The City of Deerfield Beach has embarked on a journey to create a new town center within the old “heart” of Deerfield Beach. The new town center will be known as Pioneer Grove. Pioneer Grove will be Everybody’s Neighborhood, which will provide a unique and vibrant mix of residential, office, and commercial uses such as restaurants and retail.





# DEMOGRAPHICS





# Demographic Summary

## Population

In 2021, the population in your selected geography is 97,676. The population has changed by 9.22% since 2000. It is estimated that the population in your area will be 99,661.00 five years from now, which represents a change of 2.03% from the current year. The current population is 49.39% male and 50.61% female. The median age of the population in your area is 48.05, compare this to the US average which is 38.38. The population density in your area is 3,459.48 people per square mile.

## Households

There are currently 45,998 households in your selected geography. The number of households has changed by 10.46% since 2000. It is estimated that the number of households in your area will be 47,082 five years from now, which represents a change of 2.36% from the current year. The average household size in your area is 2.13 persons.

## Income

In 2021, the median household income for your selected geography is \$58,564, compare this to the US average which is currently \$65,694. The median household income for your area has changed by 40.22% since 2000. It is estimated that the median household income in your area will be \$60,628 five years from now, which represents a change of 3.52% from the current year.

The current year per capita income in your area is \$48,059, compare this to the US average, which is \$36,445. The current year average household income in your area is \$101,996, compare this to the US average which is \$94,822.

## Race and Ethnicity

The current year racial makeup of your selected area is as follows: 72.59% White, 19.11% Black, 0.04% Native American and 1.60% Asian/Pacific Islander. Compare these to US averages which are: 69.64% White, 12.92% Black, 0.20% Native American and 5.78% Asian/Pacific Islander. People of Hispanic origin are counted independently of race.

People of Hispanic origin make up 16.80% of the current year population in your selected area. Compare this to the US average of 18.55%.

## Housing

The median housing value in your area was \$292,138 in 2021, compare this to the US average of \$227,827. In 2000, there were 29,375 owner occupied housing units in your area and there were 12,269 renter occupied housing units in your area. The median rent at the time was \$723.

## Employment

In 2021, there are 58,711 employees in your selected area, this is also known as the daytime population. The 2000 Census revealed that 64.48% of employees are employed in white-collar occupations in this geography, and 35.59% are employed in blue-collar occupations. In 2021, unemployment in this area is 5.66%. In 2000, the average time traveled to work was 26.00 minutes.

Geography: 3 Miles

Demographic data © 2010 by Experian/Applied Geographic Solutions and CoStar Group®



# Demographic Analysis

| POPULATION                    | 1-MILE    | 3-MILES   | 5-MILES  |
|-------------------------------|-----------|-----------|----------|
| 2025 Projection               |           |           |          |
| Total Population              | 13,827    | 99,661    | 224,444  |
| 2020 Estimate                 |           |           |          |
| Total Population              | 13,766    | 97,676    | 221,079  |
| 2020 Census                   |           |           |          |
| Total Population              | 12,627    | 87,651    | 200,128  |
| 2000 Census                   |           |           |          |
| Total Population              | 12,052    | 89,433    | 197,940  |
| Current Daytime Population    |           |           |          |
| 2020 Estimate                 | 16,656    | 111,849   | 290,105  |
| HOUSEHOLDS                    | 1-MILE    | 3-MILES   | 5-MILES  |
| 2025 Projection               |           |           |          |
| Total Projections             | 7,136     | 47,082    | 101,098  |
| 2020 Estimate                 |           |           |          |
| Total Households              | 7,057     | 45,998    | 99,354   |
| Average (Mean) Household Size | 1.93      | 2.13      | 2.18     |
| 2010 Census                   |           |           |          |
| Total Households              | 6,399     | 40,824    | 88,936   |
| 2000 Census                   |           |           |          |
| Total Households              | 6,179     | 41,644    | 89,458   |
| Occupied Units                |           |           |          |
| 2025 Projection               | 7,136     | 47,082    | 101,098  |
| 2020 Estimate                 | 8,456     | 54,209    | 113,478  |
| HOUSEHOLDS BY INCOME          | 1-MILE    | 3-MILES   | 5-MILES  |
| 2020 Estimate                 |           |           |          |
| \$150,000 or More             | 15.32%    | 16.70%    | 15.16%   |
| \$100,000 - \$149,000         | 14.93%    | 12.68%    | 13.20%   |
| \$75,000 - \$99,999           | 11.68%    | 10.37%    | 11.11%   |
| \$50,000 - \$74,999           | 16.25%    | 16.80%    | 17.66%   |
| \$35,000 - \$49,999           | 13.03%    | 12.59%    | 12.61%   |
| Under \$35,000                | 28.79%    | 30.86%    | 30.27%   |
| Average Household Income      | \$101,025 | \$101,996 | \$97,027 |
| Median Household Income       | \$60,718  | \$58,564  | \$58,932 |
| Per Capita Income             | \$51,811  | \$48,059  | \$43,883 |

| HOUSEHOLDS BY EXPENDITURE                  | 1-MILE    | 3-MILES   | 5-MILES   |
|--|-----------|-----------|-----------|
| Total Average Household Retail Expenditure | \$208,688 | \$201,854 | \$202,912 |
| Consumer Expenditure Top 10 Categories     |           |           |           |
| Housing                                    | \$20,331  | \$19,672  | \$19,767  |
| Transportation                             | \$12,603  | \$12,439  | \$12,531  |
| Shelter                                    | \$11,601  | \$11,199  | \$11,265  |
| Food                                       | \$7,810   | \$7,586   | \$7,628   |
| Personal Insurance and Pensions            | \$6,507   | \$6,334   | \$6,371   |
| Health Care                                | \$5,696   | \$5,480   | \$5,503   |
| Utilities                                  | \$4,541   | \$4,412   | \$4,435   |
| Entertainment                              | \$2,384   | \$2,223   | \$2,152   |
| Apparel                                    | \$1,860   | \$1,800   | \$1,804   |
| Household Furnishings and Equipment        | \$1,842   | \$1,779   | \$1,782   |

| POPULATION PROFILE                | 1-MILE | 3-MILES | 5-MILES |
|-----------------------------------|--------|---------|---------|
| Population By Age                 |        |         |         |
| 2020 Estimate Total Population    | 13,766 | 97,676  | 221,079 |
| Under 20                          | 13.84% | 17.70%  | 19.00%  |
| 20 to 34 Years                    | 15.44% | 17.29%  | 18.41%  |
| 35 to 39 Years                    | 5.94%  | 5.71%   | 5.96%   |
| 40 to 49 Years                    | 12.78% | 11.85%  | 11.82%  |
| 50 to 64 Years                    | 23.14% | 21.43%  | 20.37%  |
| Age 65+                           | 28.88% | 26.05%  | 24.45%  |
| Median Age                        | 51.39  | 48.05   | 45.82   |
| Population 25+ by Education Level |        |         |         |
| 2020 Estimate Population Age 25+  | 11,379 | 75,878  | 167,295 |
| Elementary (0-8)                  | 2.18%  | 3.09%   | 3.36%   |
| Some High School (9-11)           | 4.08%  | 5.68%   | 5.67%   |
| High School Graduate (12)         | 26.63% | 25.88%  | 26.21%  |
| Some College (13-15)              | 18.80% | 18.04%  | 18.16%  |
| Associate Degree Only             | 8.50%  | 8.06%   | 8.06%   |
| Bachelors Degree Only             | 24.57% | 23.69%  | 23.54%  |
| Graduate Degree                   | 14.26% | 14.10%  | 13.44%  |





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