

HACKENSACK, N.J.

DOWNTOWN
MANHATTAN



Midland Ave - 18,505 VPD

Walgreens

NEW 13 YEAR ABSOLUTE NNN LEASE | RARE 5% RENT INCREASES EVERY 5 YEARS
WALGREENS PHARMACY
ELMWOOD PARK, NJ (NEW YORK-NEWARK-JERSEY CITY MSA)

Marcus & Millichap
THE GLASS GROUP

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INVESTMENT OVERVIEW

WALGREENS PHARMACY

NEW 13-YEAR ABSOLUTE NNN LEASE | RARE 5% INCREASES EVERY 5-YEARS
WELL-ESTABLISHED LOCATION

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INVESTMENT OVERVIEW¹

NEW 13-YEAR ABSOLUTE NNN LEASE

The subject property operates under a newly-signed 13-year Absolute NNN Lease with no landlord management or maintenance responsibilities whatsoever.

RARE 5% RENT INCREASES EVERY 5 YEARS

The lease offers 5% rent increases every 5 years during the original term and the 12, five-year renewal options (if exercised) providing exceedingly more cash flow than a traditional flat Walgreens lease.

CRITICAL DRIVE-THROUGH LANE

According to the Wall Street Journal, more companies look for properties that will allow them to serve customers in their cars. Interest in drive-through real estate was growing even before Covid-19, but it exploded last year when total sales volume for restaurants, pharmacy and bank properties hit a record \$12 billion, according to data firm CoStar Group Inc. Finding drive-through real estate can be challenging, especially in densely built areas, because the properties need to have enough space to accommodate long lines of cars.

DENSE INFILL LOCATION IN NEW YORK MSA

The subject property is situated at the 4-way signalized corner of Market Street (11,541 VPD) and N. Midland Avenue (14,078 VPD) in Elmwood Park, which is only 14 miles from Mahattan. The store benefits from a drive-through pick-up window to deliver prescription and non-prescription drugs along with many other essential retail items during the COVID-19 pandemic. Walgreens has a 25-year operational history at this location. The average household income in a one-mile radius is \$113,697.

INVESTMENT GRADE TENANT²

The Lease is guaranteed by Walgreen Co., a subsidiary of Walgreens Boots Alliance, Inc. and rated Baa2/Stable by Moody's. Walgreens Boots Alliance, Inc., the Parent Company, carries an Investment Grade Credit Rating of BBB/Stable from S&P and Baa2/Stable from Moody's.

ESSENTIAL RETAILER OPERATING AND ASSISTING U.S. AUTHORITIES DURING THE COVID-19 PANDEMIC³

As a global, pharmacy-led health care company, Walgreens Boots Alliance has been working to ensure the safety and well-being of their colleagues, patients and customers during the pandemic of COVID-19. Their retail pharmacies have worked to provide up-to-date information and public health guidelines to customers, and their emergency response teams across the business are actively working to find ways play a greater role in what has become a global emergency – including working with the United States federal government to expand access to COVID-19 testing.



(1) Rentable Area, Lot Size, Guarantor, Lease Terms, Building Specifications, Year Built, Demographics and S&P/Moody's Ratings are estimates. Buyer is responsible for verifying during the Due Diligence process.

(2) All financial data shown above is for Walgreens Boots Alliance, Inc., the Parent Company. The Tenant under the Lease, Walgreen Co., is a subsidiary of Walgreens Boots Alliance, Inc., the parent company. Walgreens Boots Alliance, Inc. does not guarantee the lease.

(3) Source: www.walgreensbootsalliance.com

OFFERING HIGHLIGHTS¹

WALGREENS

593 MARKET STREET
ELMWOOD PARK, NJ 07407
(NEW YORK-NEWARK-JERSEY CITY MSA)

Net Operating Income	\$295,225
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	2/1/2022
Lease Expiration Date	2/28/2035
Year Built	1997 ¹
Rentable Area	11,809 SF ¹
Lot Size	1.48 Acres ¹
Primary Term Escalations	5% Every Five Years
Options	(12) Five-Year Options
Tenant / Guarantor	Walgreens Co.
Right of First Refusal	Yes, Twenty (20) Days

POTENTIAL FINANCING OPTIONS²

Program	10-Yr Fixed Rate	10-Yr Fixed Rate
Interest Rate	3.65%	4.04%
Down Payment / LTV	\$2,714,712 / 60%	\$3,054,051 / 55%
Amortization	30 Years	Interest Only

For questions on financing contact:

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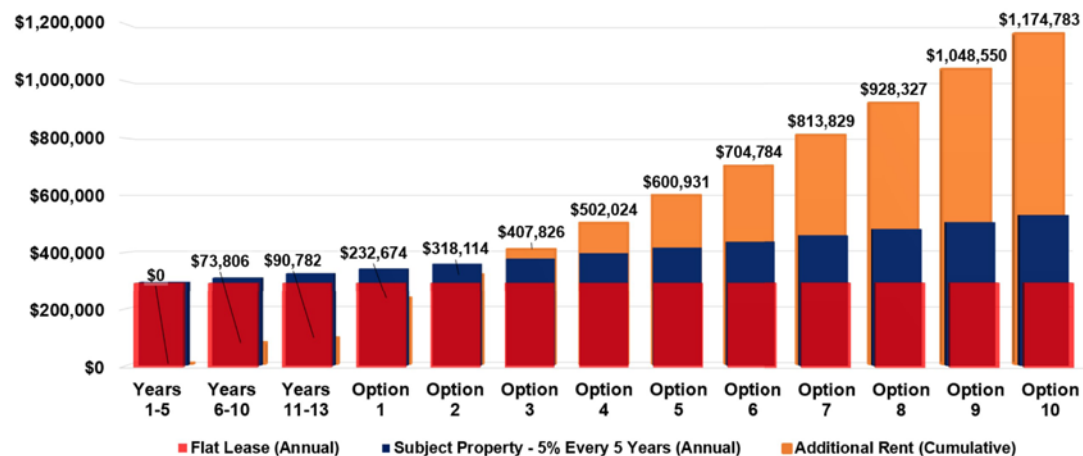
OFFERING PRICE

\$6,786,782

CAP RATE

4.35%

ADDITIONAL RENT COMPARISON SUBJECT PROPERTY VS. HISTORICAL FLAT LEASE³ CUMULATIVE ADDITIONAL RENT OVER COMPARABLE LEASE AND OPTION PERIODS



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(2) Financing options shown are subject to market changes. See agent for details.

(3) For demonstration purposes only. This graph is not a guarantee of Subject Property's performance, additional rents, and/or Walgreens exercising any option(s) under the lease.

TENANT OVERVIEW

WALGREENS PHARMACY

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TENANT OVERVIEW¹



WALGREENS BOOTS ALLIANCE, INC.¹

Walgreens is part of the Retail Pharmacy USA Division of Walgreens Boots Alliance, Inc. (NASDAQ: WBA), the first global, pharmacy-led health and wellbeing enterprise. As the largest retail pharmacy, health and daily living destination across the United States and Europe, Walgreens Boots Alliance has a presence in more than 25 countries and employs more than 450,000 people. The Company has over 21,000 stores in 11 countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with over 425 distribution centers delivering to more than 250,000 pharmacies, doctors, health centers and hospitals each year in more than 20 countries. Operations are organized into three divisions: Retail Pharmacy USA, Retail Pharmacy International and Pharmaceutical Wholesale. By its sheer size, scale and expertise, Walgreens Boots Alliance is well-positioned to help expand the supply of, and address the rising cost of, prescription drugs in the U.S. and worldwide. They have more than 100 years of trusted health care heritage and innovation in community pharmacy and pharmaceutical wholesaling. Their purpose is to help people across the world lead healthier and happier lives.

The Retail Pharmacy USA division has pharmacy-led health and beauty retail offerings in 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. The Company operated 9,021 retail stores in the division as of August 31, 2020. The principal retail pharmacy brands in the division are Walgreens and Duane Reade. The Company is a market leader in the United States and, as of August 31, 2020, approximately 78% of the population of the United States lived within five miles of a Walgreens, Duane Reade or acquired Rite Aid retail pharmacy. The Company is focused on creating a neighborhood health destination and a more modern pharmacy aligned to a wider range of healthcare services. The Company utilizes its retail network as a channel to provide health and wellness services to its customers and patients, as illustrated by the Company's ability to play a significant role in providing flu vaccines and other immunizations. Additionally, through their strategic partnership strategy, their key collaborations aim to develop new health care delivery models and to improve access to advanced healthcare technologies and solutions. They've taken further steps to develop our neighborhood health destinations, working with their strategic partners. The Company has more than 85,000 healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners and other health related professionals.

COMPANY HIGHLIGHTS¹

- ▣ \$139.5 BILLION IN REVENUE / \$23.4 BILLION NET WORTH (FY 2020)
- ▣ INVESTMENT GRADE TENANT / WALGREENS CO. - RECENTLY AFFIRMED (2021) MOODY'S RATED BAA2 / OUTLOOK STABLE
- ▣ SALES INCREASED 2.3% YEAR-OVER-YEAR TO \$34.7 BILLION IN Q4 2020
- ▣ 9,021 RETAIL PHARMACY STORES WITH PLANS FOR 1,000 IN-STORE CLINIC LOCATIONS ACROSS 50 STATES, THE DISTRICT OF COLUMBIA, PUERTO RICO & THE U.S. VIRGIN ISLANDS BY 2027
- ▣ 75% OF RETAIL PHARMACY USA DIVISION SALES ARE PHARMACY, WITH THE REMAINING 25% FROM RETAIL SALES
- ▣ 818.0 MILLION PRESCRIPTIONS, INCLUDING IMMUNIZATIONS, WERE FILLED IN FY 2020
- ▣ 78% OF THE POPULATION IN THE UNITED STATES LIVES WITHIN 5 MILES OF A WALGREENS, DUANE READE, OR ACQUIRED RITE AID PHARMACY

FINANCIAL HIGHLIGHTS¹

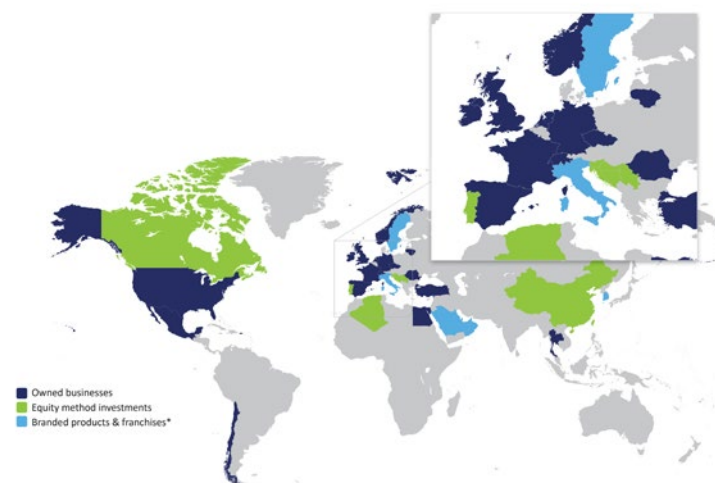


FY21 Sales
● United States
● International



FY21 Adjusted Operating Income*
● United States
● International

A GLOBAL PRESENCE¹



*Countries where the Company's products are available for purchase or there are Company franchises (other than those countries where there are owned businesses, equity method investments or joint ventures)

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LOCATION OVERVIEW

WALGREENS PHARMACY

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LOCATION OVERVIEW¹



**WELL-ESTABLISHED
DRIVE-THRU
LOCATION WITH
25-YEARS OF
OPERATIONAL
HISTORY**

**AVERAGE HOUSEHOLD
INCOME OF \$113,697
IN A ONE-MILE
RADIUS OF THE
SUBJECT PROPERTY**

**MORE THAN
20.1 MILLION
RESIDENTS IN THE
TRI-STATE AREA**

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SURROUNDED BY NATIONAL RETAILERS IN A DENSE RETAIL CORRIDOR

Located minutes from St. Joseph's University Medical Center (688-beds), the subject property is surrounded by nationally recognized retailers including Taco Bell, Pizza Hut, KFC, TD Bank, Subway, Harbor Freight Tools, Dollar General, Burger King, Advance Auto Parts, Bagel Bros Deli, CVS pharmacy, Firestone Complete Auto Care, Dunkin' Donuts, and many more.

HARD-CORNER LOCATION WITH EXCELLENT VISIBILITY

The property is located at a 4-way signalized hard corner with excellent street frontage along Market Street (11,541 VPD) and N. Midland Avenue (24,078 VPD). The average household income in a one-mile radius is \$113,697.

MOST POPULOUS METROPOLITAN AREA IN THE UNITED STATES

The Tri-State Area is the largest metropolitan area in the world by landmass and the most populous in the United States. Home to approximately 6% of the United States' population, the metropolitan area enjoys attractions like Central Park, the Empire State Building, renowned museums like the Met and MoMa, Tribeca Film Festival, and the Hudson River. As a global destination, the tourism industry is a vital component of the metro region's economy, supporting more than 376,800 jobs. Various luxury hotels, high-end shopping, sophisticated entertainment venues, gourmet dining and world-class sports contribute more than \$80.3 billion in spending. While Manhattan remains the epicenter of cultural life in the metropolitan area, the entire region is replete with activities and attractions. As the largest rapid transit system in the world when measured by stations in operation, the New York City Subway remains open 24 hours a day, transporting nearly 1.7 billion riders in 2019. Likewise, the region is serviced by John F. Kennedy International Airport, Newark Liberty International Airport and LaGuardia Airport ushering an all-time annual record of 140.5 million passengers in 2019. Walgreens in Elmwood Park is strategically located 11 miles from the Hudson River, at the state line between New Jersey and New York.



AERIAL OVERVIEW



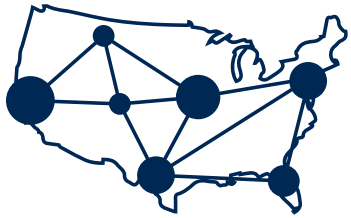
AERIAL OVERVIEW



AERIAL OVERVIEW



DEMOGRAPHICS¹



HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$113,697	\$98,487	\$106,345
MEDIAN	\$83,534	\$67,876	\$73,009

POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	21,631	302,912	684,144
2021 Census Total Population	21,214	298,561	674,956
2010 Census Total Population	20,393	291,245	659,816



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DOWNTOWN
MANHATTAN



WALGREENS PHARMACY

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