



**NEW 13 YEAR ABSOLUTE NNN LEASE | RARE 5% RENT INCREASES EVERY 5 YEARS**  
**WALGREENS PHARMACY**  
**MUSKOGEE, OK (TULSA MSA)**

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**ALL PROPERTY SHOWINGS ARE BY APPOINTMENT ONLY. PLEASE CONSULT YOUR MARCUS & MILLICHAP AGENT FOR MORE DETAILS.**

**WALGREENS PHARMACY**  
100 N. 32ND STREET  
MUSKOGEE, OK  
(TULSA MSA)

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**Marcus & Millichap**



# INVESTMENT OVERVIEW

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## WALGREENS PHARMACY

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

Marcus & Millichap

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# INVESTMENT OVERVIEW<sup>1</sup>

## 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.

## NEXT TO SAINT FRANCIS HOSPITAL, LOVE-HATBOX SPORTS COMPLEX AND THE MUSKOGEE CIVIC CENTER

Located minutes away from Downtown Muskogee, the subject property is situated immediately across from Saint Francis Hospital (320-beds) and the newly expanded and developed 60-acre Love-Hatbox Sports Complex. This state-of-the-art facility contains 33 sports fields, a 3.1-mile activity trail and the Muskogee Civic Center where visitors can enjoy live music, corporate functions, rodeos, trade shows and cultural events. Boasting average daily traffic of 25,904 vehicles on N. 32nd Street, Walgreens is in close proximity to several national retailers such as Taco Bell, McDonald's, Little Caesars Pizza, O'Reilly Auto Parts, Wendy's, and Arby's.

## INVESTMENT GRADE TENANT<sup>2</sup>

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 PANDEMIC<sup>3</sup>

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](http://www.walgreensbootsalliance.com)

# OFFERING HIGHLIGHTS<sup>1</sup>

## WALGREENS

100 N. 32ND STREET  
MUSKOGEE, OKLAHOMA 74401  
(TULSA MSA)

Net Operating Income	\$222,300
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	2/1/2022
Lease Expiration Date	2/28/2035
Year Built	2006 <sup>1</sup>
Rentable Area	14,820 SF <sup>1</sup>
Lot Size	1.65 Acres <sup>1</sup>
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 OPTIONS<sup>2</sup>

Program	10-Yr Fixed Rate	10-Yr Fixed Rate
Interest Rate	3.65%	4.04%
Down Payment / LTV	\$1,833,402 / 60%	\$2,062,577 / 55%
Amortization	30 Years	Interest Only

For questions on financing contact:

Chris Marks  
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212.430.5173 direct  
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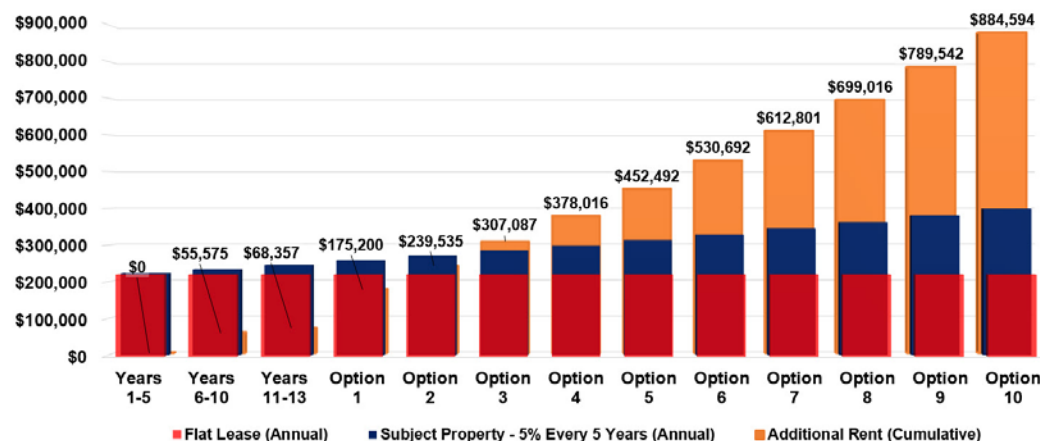
### OFFERING PRICE

# \$4,583,505

### CAP RATE

# 4.85%

### ADDITIONAL RENT COMPARISON SUBJECT PROPERTY VS. HISTORICAL FLAT LEASE<sup>3</sup> CUMULATIVE ADDITIONAL RENT OVER COMPARABLE LEASE AND OPTION PERIODS



### ACTUAL LOCATION



(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) 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

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# TENANT OVERVIEW<sup>1</sup>



## WALGREENS BOOTS ALLIANCE, INC.<sup>1</sup>

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 HIGHLIGHTS<sup>1</sup>

- ▣ \$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 HIGHLIGHTS<sup>1</sup>

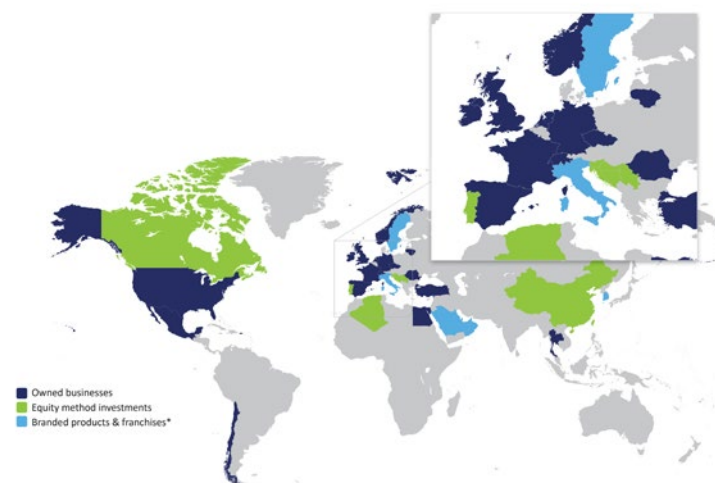


**FY21 Sales**  
● United States  
● International



**FY21 Adjusted Operating Income\***  
● United States  
● International

## A GLOBAL PRESENCE<sup>1</sup>



\*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)

(1) 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.



# LOCATION OVERVIEW

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## WALGREENS PHARMACY

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# LOCATION OVERVIEW<sup>1</sup>



**DIRECTLY ACROSS  
FROM SAINT FRANCIS  
HOSPITAL MUSKOGEE**

**OVER 1 MILLION  
RESIDENTS IN THE  
TULSA MSA**

**HOME OF THE  
UNIVERSITY OF TULSA,  
A NCAA DIVISION I  
PRIVATE RESEARCH  
INSTITUTION KNOWN  
FOR ITS PROGRAM IN  
PETROLEUM ENGINEERING**

## **SITUATED IMMEDIATELY ACROSS FROM SAINT FRANCIS HOSPITAL MUSKOGEE**

The subject property is located directly across from Saint Francis Hospital Muskogee (320-beds), and minutes from the Muskogee Civic Center and the Love-Hotbox Sports Complex. Surrounded by an abundance of national retailers and residential neighborhoods, Walgreens is 2 miles from Downtown Muskogee. Other nationally-recognized retailers in the immediate vicinity include Wendy's, McDonald's, Arby's, Little Caesars Pizza, Taco Bell, O'Reilly Auto Parts, and many more.

## **HARD-CORNER LOCATION WITH EXCELLENT VISIBILITY**

The property is situated at the 4-way signalized hard corner of N. 32nd Street (25,904 VPD) and U.S. Highway 64/W Okmulgee Avenue (10,141 VPD), in close proximity to several healthcare professional offices and specialists affiliated with Saint Francis Hospital Muskogee.

## **HOME OF THE UNIVERSITY OF TULSA**

The University of Tulsa is home to about 4,000 undergraduate, graduate and law students. This NCAA Division I private research institution is the highest ranked private university in the state where the alumni are the highest earners among all Oklahoma colleges. Best known for its program in petroleum engineering, students have access to a full-scale drilling rig and 2,000-foot well for research purposes and hands-on experience.





## AERIAL OVERVIEW



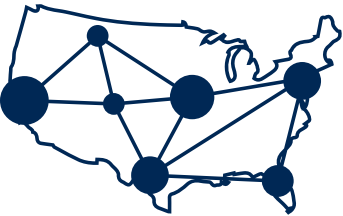


# AERIAL OVERVIEW





# DEMOGRAPHICS<sup>1</sup>



## HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$48,291	\$48,905	\$59,869
MEDIAN	\$32,081	\$32,043	\$42,580

## POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	6,019	19,122	37,703
2021 Census Total Population	6,091	19,441	38,397
2010 Census Total Population	6,388	20,441	40,361

Sources: Marcus & Millichap Research Services, CoStar







# WALGREENS PHARMACY

## MUSKOGEE, OK (TULSA MSA)

EXCLUSIVELY LISTED BY

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