



**NEW 13 YEAR ABSOLUTE NNN LEASE | RARE 5% RENT INCREASES EVERY 5 YEARS**  
**WALGREENS PHARMACY**  
**RUSSELLVILLE, KENTUCKY**

**Marcus & Millichap**  
THE GLASS GROUP

# NON-ENDORSEMENT AND DISCLAIMER NOTICE

## MARCUS & MILLICHAP REAL ESTATE INVESTMENT SERVICES OF FLORIDA, INC. HEREBY ADVISES ALL PROSPECTIVE PURCHASERS OF NET LEASED PROPERTY AS FOLLOWS:

The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable. However, Marcus & Millichap Real Estate Services of Florida, Inc. has not and will not verify any of this information, nor has Marcus & Millichap conducted any investigation regarding these matters. Marcus & Millichap Real Estate Services of Florida, Inc. makes no guarantee, warranty or representation whatsoever about the accuracy or completeness of any information provided. As the Buyer of a net leased property, it is the Buyer's responsibility to independently confirm the accuracy and completeness of all material information before completing any purchase. This Marketing Brochure is not a substitute for your thorough due diligence investigation of this investment opportunity. Marcus & Millichap Real Estate Services of Florida, Inc. expressly denies any obligation to conduct a due diligence examination of this Property for Buyer. Any projections, opinions, assumptions or estimates used in this Marketing Brochure are for example only and do not represent the current or future performance of this property. The value of a net leased property to you depends on factors that should be evaluated by you and your tax, financial and legal advisors. Buyer and Buyer's tax, financial, legal, and construction advisors should conduct a careful, independent investigation of any net leased property to determine to your satisfaction with the suitability of the property for your needs. 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.

By accepting this Marketing Brochure you agree to release Marcus & Millichap Real Estate Services of Florida, Inc. and hold it harmless from any kind of claim, cost, expense, or liability arising out of your investigation and/or purchase of this net leased property. The information contained in this Marketing Brochure is proprietary and strictly confidential. It is intended to be reviewed only by the party receiving it from Marcus & Millichap Real Estate Services of Florida, Inc. and should not be made available to any other person or entity without the written consent of Marcus & Millichap Real Estate Services of Florida, Inc.. This Marketing Brochure has been prepared to provide summary, unverified information to prospective purchasers, and to establish only a preliminary level of interest in the subject property. The information contained herein is not a substitute for a thorough due diligence investigation. Marcus & Millichap Real Estate Services of Florida, Inc. has not made any investigation, and makes no warranty or representation, with respect to the income or expenses for the subject property, the future projected financial performance of the property, the size and square footage of the property and improvements, the presence or absence of contaminating substances, PCBs or asbestos, the compliance with State and Federal regulations, the physical condition of the improvements thereon, or the financial condition or business prospects of any tenant, or any tenant's plans or intentions to continue its occupancy of the subject property. The information contained in this Marketing Brochure has been obtained from sources we believe to be reliable; however, Marcus & Millichap Real Estate Services of Florida, Inc. has not verified, and will not verify, any of the information contained herein, nor has Marcus & Millichap conducted any investigation regarding these

## SPECIAL COVID-19 NOTICE

All potential buyers are strongly advised to take advantage of their opportunities and obligations to conduct thorough due diligence and seek expert opinions as they may deem necessary, especially given the unpredictable changes resulting from the continuing COVID-19 pandemic. Marcus & Millichap Real Estate Services of Florida, Inc. has not been retained to perform, and cannot conduct, due diligence on behalf of any prospective purchaser. Marcus & Millichap Real Estate Services of Florida, Inc.'s principal expertise is in marketing investment properties and acting as intermediaries between buyers and sellers. Marcus & Millichap Real Estate Services of Florida, Inc. and its investment professionals cannot and will not act as lawyers, accountants, contractors, or engineers. All potential buyers are admonished and advised to engage other professionals on legal issues, tax, regulatory, financial, and accounting matters, and for questions involving the property's physical condition or financial outlook. Projections and pro forma financial statements are not guarantees and, given the potential volatility created by COVID-19, all potential buyers should be comfortable with and rely solely on their own projections, analyses, and decision-making.)

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

**WALGREENS PHARMACY**  
485 WEST 4TH STREET  
RUSSELLVILLE, KY 42276

**JOHN A. GLASS**  
Executive Managing Director  
San Francisco Office  
**Mobile** 415.497.4060  
**Office** 415.625.2114  
**License** CA 00980723  
[john.glass@marcusmillichap.com](mailto:john.glass@marcusmillichap.com)

**JASON HERNANDEZ**  
First Vice President  
Sacramento Office  
**Mobile** 925.989.8198  
**Office** 916.724.1300  
**License** CA 01392646  
[jason.hernandez@marcusmillichap.com](mailto:jason.hernandez@marcusmillichap.com)

**COLBY HAUGNESS**  
Kentucky Broker of Record  
**Office** 813.387.4700  
**License KY:** 242197  
[colby.haugness@marcusmillichap.com](mailto:colby.haugness@marcusmillichap.com)

**Marcus & Millichap**



# INVESTMENT OVERVIEW

---

## WALGREENS PHARMACY

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

Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services of Florida, Inc. is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus & Millichap ACT ID ZAD0940068



# 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.

## HARD-CORNER LOCATION WITH EXCELLENT VISIBILITY

The subject property is situated at a four-way signalized hard corner on W. 4th Street in the center of Russellville. There are average daily traffic counts of 6,074 along W. 4th Street and average household incomes of \$61,887 within 5-miles. Walgreens is strategically located in the heart of Downtown near City Hall, surrounded by an abundance of national retailers and residential neighborhoods. Just one block south of the subject property is a Piggly Wiggly anchored shopping center. Other nationally-recognized retailers in the immediate vicinity include Sherwin-Williams, U.S. Bank, Family Dollar, NAPA Auto Parts, Truist Bank, Papa John's Pizza, and many more.

## 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 to 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

485 WEST 4TH STREET  
RUSSELLVILLE, KENTUCKY 42276

Net Operating Income	\$232,800
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	2/1/2022
Lease Expiration Date	2/28/2035
Year Built	2008 <sup>1</sup>
Rentable Area	14,550 SF <sup>1</sup>
Lot Size	1.09 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	\$1,862,400 / 60%	\$2,095,200 / 55%
Amortization	30 Years	Interest Only

For questions on financing contact:

Chris Marks  
Marcus & Millichap Capital Corporation  
212.430.5173 direct  
[cmarks@marcusmillichap.com](mailto:cmarks@marcusmillichap.com)

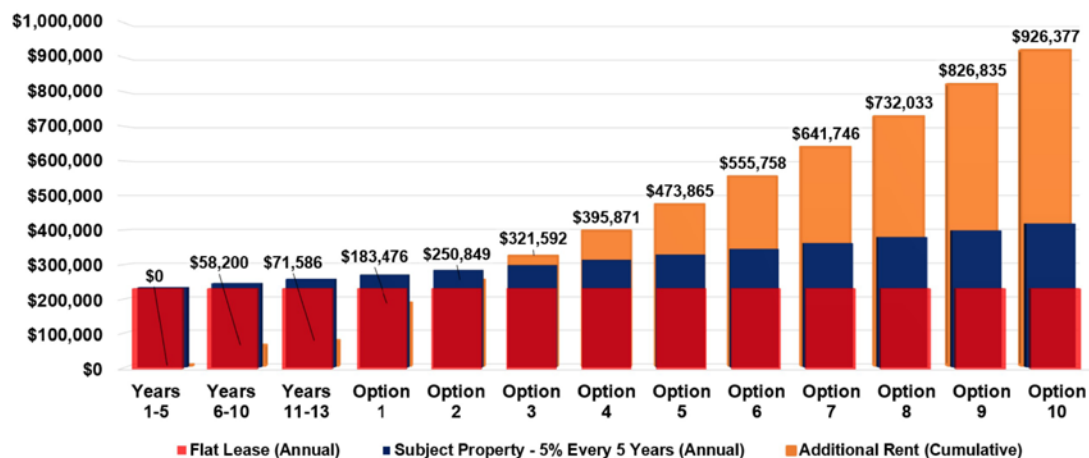
### OFFERING PRICE

**\$4,656,000**

### CAP RATE

**5.00%**

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



(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

---

## WALGREENS PHARMACY

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

Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services of Florida, Inc. is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus & Millichap ACT ID ZAD0940068

# 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>

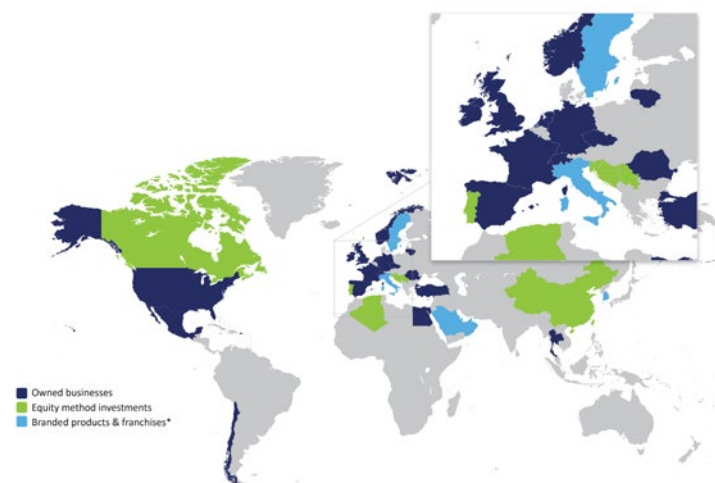


**FY21 Sales**  
● United States  
● International



**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

---

## WALGREENS PHARMACY

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

Marcus & Millichap

This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage or age are approximate. Buyer must verify the information and bears all risk for any inaccuracies. Any projections, opinions, assumptions or estimates used herein are for example purposes only and do not represent the current or future performance of the property. Marcus & Millichap Real Estate Investment Services of Florida, Inc. is a service mark of Marcus & Millichap Real Estate Investment Services, Inc. © 2022 Marcus & Millichap ACT ID ZAD0940068



# LOCATION OVERVIEW<sup>1</sup>



**LOGAN ALUMINUM  
IS LOGAN COUNTY'S  
LARGEST EMPLOYER  
WITH 1,400+ TEAM  
MEMBERS AND THE  
LARGEST SINGLE CAN  
SHEET FACILITY IN  
NORTH AMERICA**

**LOCATED 1 HOUR  
NORTH OF NASHVILLE,  
30 MINUTES WEST OF  
BOWLING GREEN &  
2.5 HOURS FROM  
LOUISVILLE BY CAR**

**AVERAGE HHI OF  
\$61,887 WITHIN  
5-MILES**

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

The subject property is situated at a four-way signalized hard corner on W. 4th Street in the center of Russellville. There are average daily traffic counts of 6,074 along W. 4th Street and average household incomes of \$61,887 within 5-miles. Walgreens is strategically located in the heart of Downtown near City Hall, surrounded by an abundance of national retailers and residential neighborhoods. Just one block south of the subject property is a Piggly Wiggly anchored shopping center. Other nationally-recognized retailers in the immediate vicinity include Sherwin-Williams, U.S. Bank, Family Dollar, NAPA Auto Parts, Truist Bank, Papa John's Pizza, and many more.

## **THRIVING AND DIVERSE ECONOMY**

Within a day's drive of two-thirds of the U.S. population, Kentucky is located at the center of a 34-state distribution area in the eastern United States. Kentucky's location advantage facilitates the distribution of goods and materials to a massive industrial and consumer market. The state's borders are within 600 miles of over 65% of the nation's population and manufacturing business establishments. Served by two international airports plus three global shipping hubs, Kentucky is home to the UPS World Port, DHL Americas hub in Northern Kentucky, the Amazon Air global port in Northern Kentucky and several large FedEx ground hubs throughout the state. Healthcare is the fastest growing industry in the state and there are a total of four hospitals within a 30-mile radius of Logan County.





# AERIAL OVERVIEW



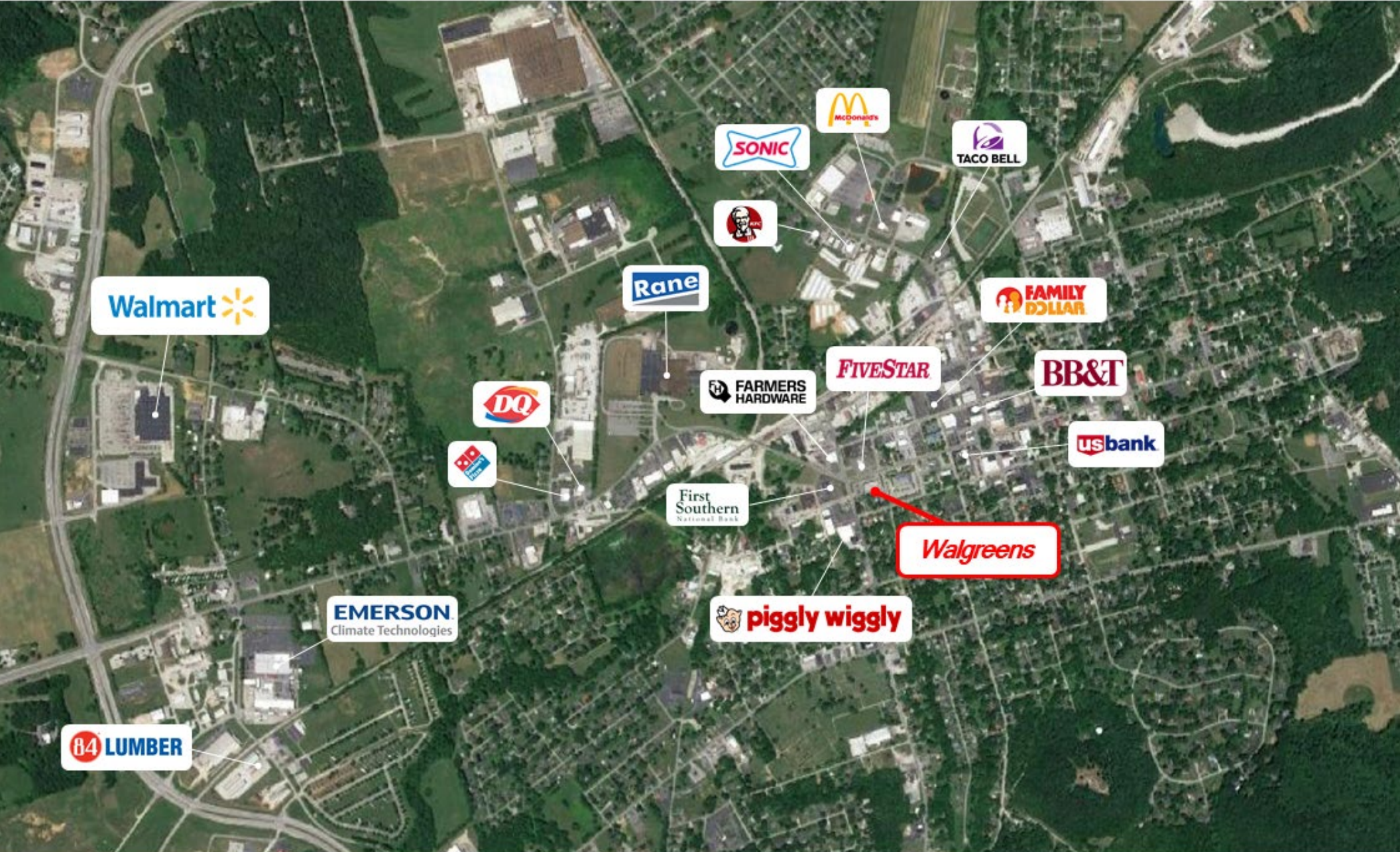


# AERIAL OVERVIEW



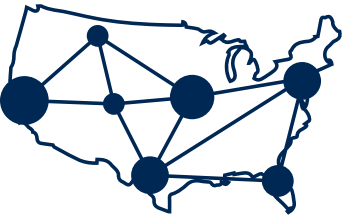


## AERIAL OVERVIEW





DEMOGRAPHICS<sup>1</sup>



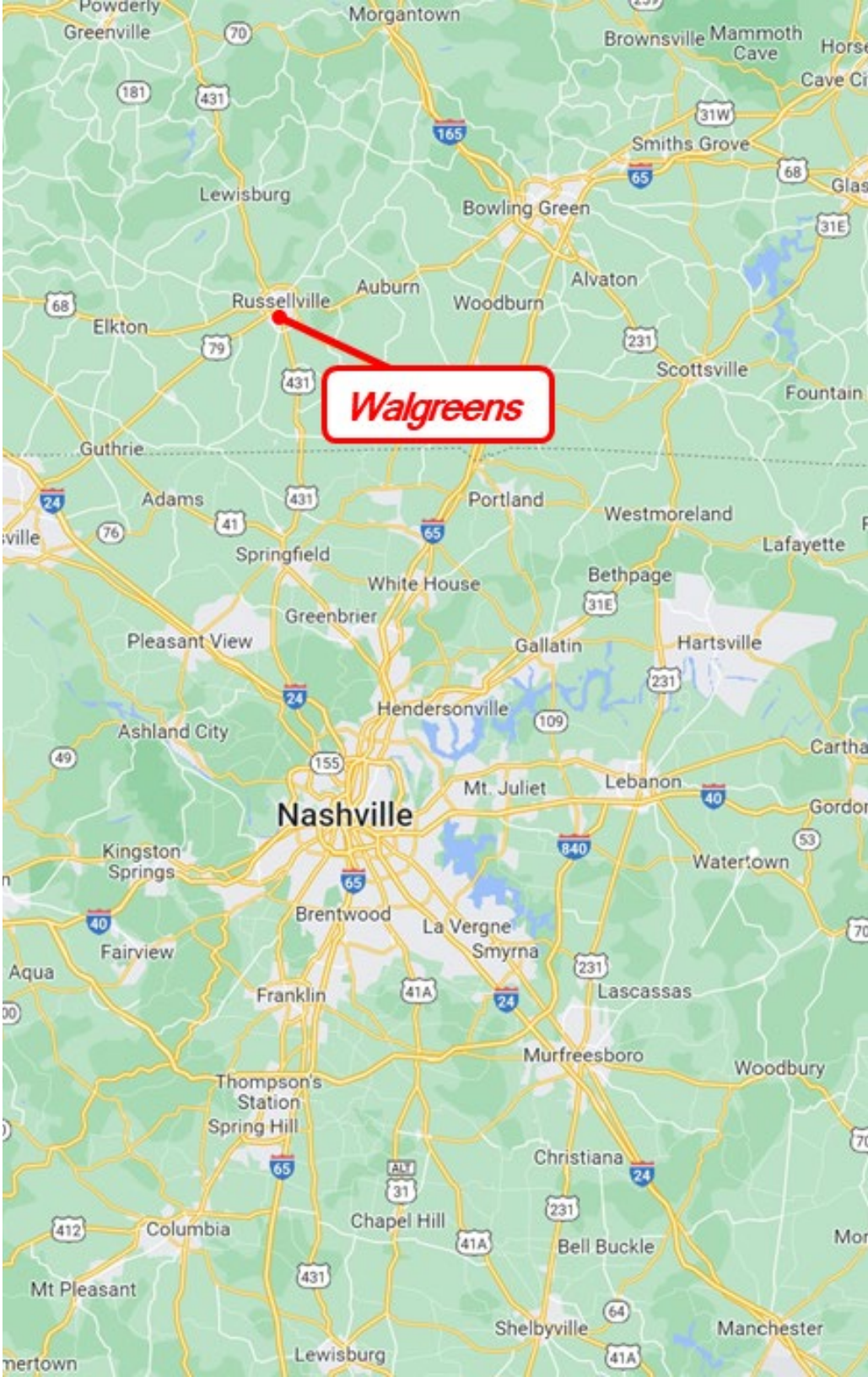
HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$57,652	\$60,717	\$61,887
MEDIAN	\$43,613	\$46,180	\$47,210

POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	3,886	8,374	11,196
2021 Census Total Population	3,904	8,421	11,264
2010 Census Total Population	3,889	8,376	11,206

Sources: Marcus & Millichap Research Services, CoStar







# WALGREENS PHARMACY

## RUSSELLVILLE, KENTUCKY

EXCLUSIVELY LISTED BY

JOHN GLASS  
Executive Managing Director  
415.625.2114  
John.Glass@marcusmillichap.com

JASON HERNANDEZ  
First Vice President  
916.724.1300  
Jason.Hernandez@marcusmillichap.com

COLBY HAUGNESS  
KY Broker of Record  
813.387.4700  
License: KY 242197

Marcus & Millichap  
**THE GLASS GROUP**