



NEW 13 YEAR ABSOLUTE NNN LEASE | RARE 5% RENT INCREASES EVERY 5 YEARS
WALGREENS PHARMACY
KEYSTONE HEIGHTS, FLORIDA (JACKSONVILLE MSA)

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

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Marcus & Millichap

INVESTMENT OVERVIEW

WALGREENS PHARMACY

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

Marcus & Millichap

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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.

HEALTHCARE HUB

Keystone Heights is located in southwestern Clay County, which has some of the most modern healthcare facilities in the Northeast Florida region. This sector continues to grow rapidly. St. Vincent's Medical Center Clay, Orange Park Medical Center, and Baptist Clay Medical Campus have all completed major expansion projects in the last three years. More expansions are planned. Orange Park Medical Center, Baptist Health, St. Vincent's Medical Clay, and Kindred Hospital all offer tremendous care options in the region. Clay County is considered to be part of the Jacksonville MSA.

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.

JACKSONVILLE METRO LOCATION

The Walgreens is located approximately 50 miles from downtown Jacksonville and 20 miles east of Gainesville, part of the Jacksonville MSA. Jacksonville is the most populous city in Florida and the largest city by area in the contiguous U.S. It is the largest metropolitan area in northeast Florida and southeast Georgia. The city of Jacksonville has a population of 925,142 with the metro area having a population of 1,523,615 residents. Jacksonville's access to road, rail, sea and air transportation has made it an intermodal hub for the Southeast. With a growing population, a strong economy, diverse cultural and recreational opportunities and abundant natural resources, Jacksonville continues to distinguish itself as one of the nation's most dynamic and progressive cities.



(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) Sources: www.walgreensbootsalliance.com

OFFERING HIGHLIGHTS¹

WALGREENS

115 N LAWRENCE BOULEVARD
KEYSTONE HEIGHTS, FL 32656

Net Operating Income	\$321,552.00
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	2/1/2022
Lease Expiration Date	2/28/2035
Year Built	2005 ¹
Rentable Area	14,771 SF ¹
Lot Size	2.13 Acres ¹
Rent 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

For questions on financing contact:
Chris Marks
Marcus & Millichap Capital Corporation
212.430.5173 direct
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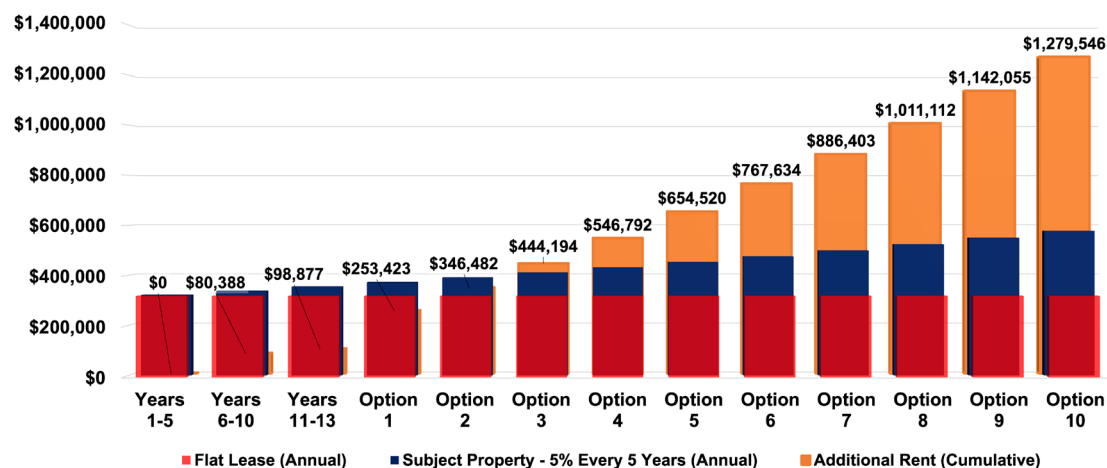
OFFERING PRICE

\$6,769,516

CAP RATE

4.75%

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. Final LTV contingent on CAP Rate. 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.

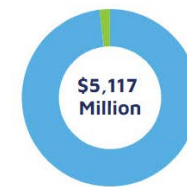
COMPANY HIGHLIGHTS¹

- ▣ \$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

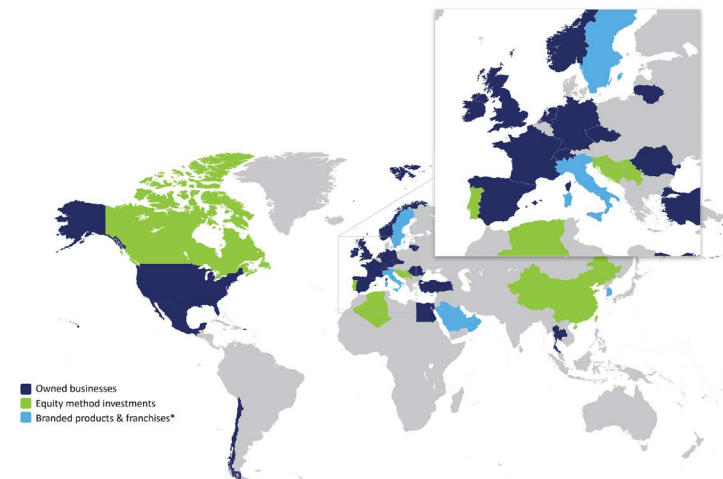


FY21 Sales
● United States
● International



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 OVERVIEW¹



**WELL-ESTABLISHED
DRIVE-THROUGH
LOCATION WITH
17 YEARS OF
OPERATIONAL
HISTORY**

**JACKSONVILLE
METRO LOCATION -
HOME TO OVER 1.5
MILLION RESIDENTS**

**HARD CORNER
LOCATION WITH
SIGNALIZED
INTERSECTION**

HARD-CORNER LOCATION WITH ON MAIN COMMERCIAL CORRIDOR

Situated on a hard-corner location where State Route 21 connecting to Jacksonville meets State Route 100, the center of beautiful Keystone Heights. Known for the area's natural beauty, sandy bottom lakes, and outdoor trails, Keystone Heights is centrally located between Jacksonville and Gainesville in southwestern Clay County.

CLAY COUNTY HEALTHCARE HUB

Clay County is fortunate to have some of the most modern healthcare facilities in the Northeast Florida region and this sector continues to grow rapidly. St. Vincent's Medical Center Clay, Orange Park Medical Center, and Baptist Clay Medical Campus have all completed major expansion projects in the last three years. More expansions are planned. Orange Park Medical Center, Baptist Health, St. Vincent's Medical Clay, and Kindred Hospital all offer tremendous care options in the region.

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Keystone Heights
Junior/Senior High School
Home of the Indians



Clay Electric Cooperative, Inc.



Advance
Auto Parts
We're ready in Advance.



Village Doctors



CVS
pharmacy

State Rd 21

W Walker Dr

E Walker Dr

N Lawrence Blvd

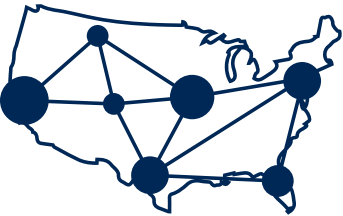
State Rd 21

11,514 VPD

Walgreens

Ameris
Bank

DEMOGRAPHICS¹



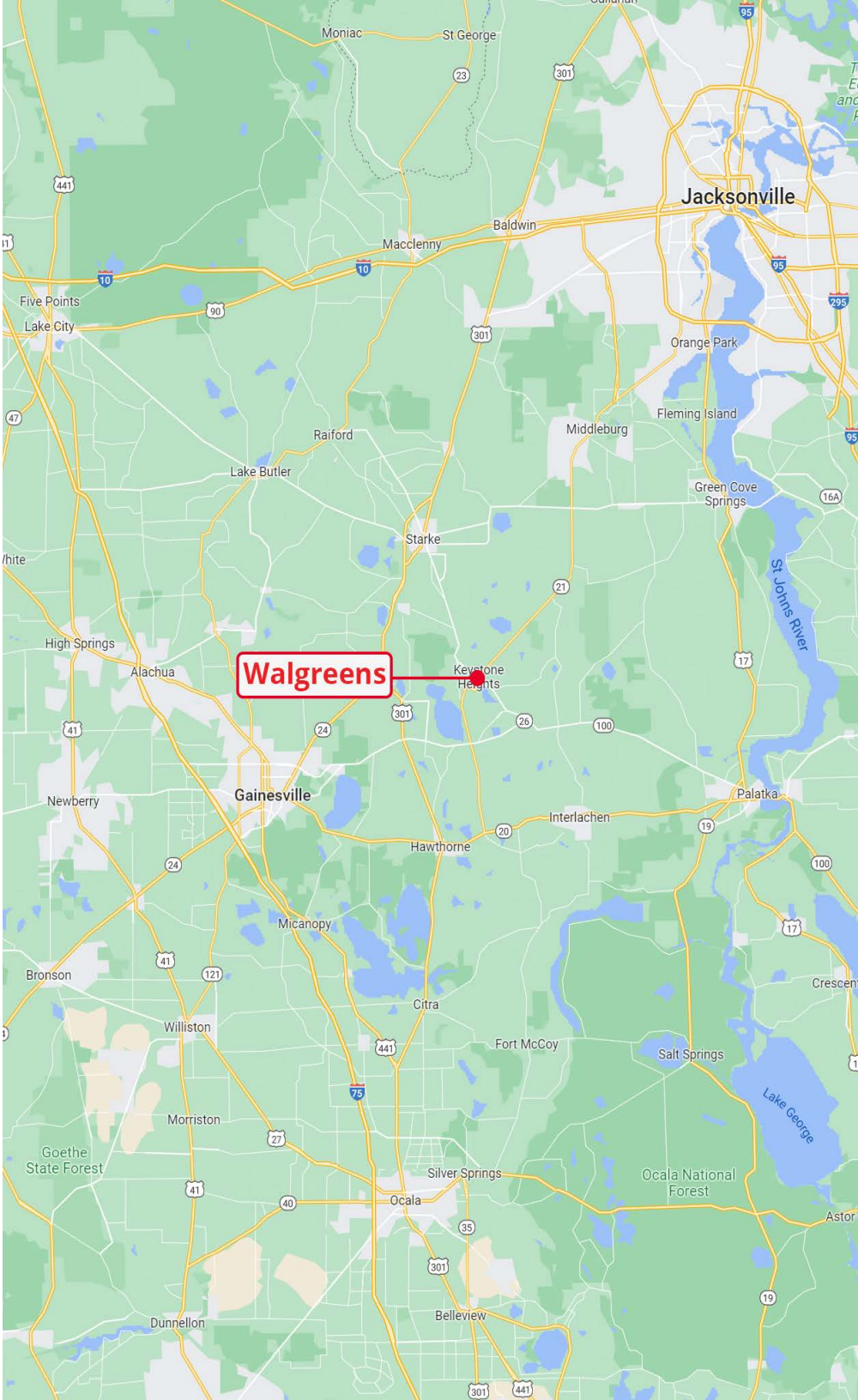
HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$72,344	\$72,204	\$72,489
MEDIAN	\$55,501	\$53,143	\$53,376

POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	3,281	11,175	18,112
2021 Census Total Population	3,191	10,678	17,262
2010 Census Total Population	2,883	9,458	15,267

Sources: Marcus & Millichap Research Services, CoStar





WALGREENS PHARMACY

KEYSTONE HEIGHTS, FLORIDA (JACKSONVILLE MSA)

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