



LONG TERM ABSOLUTE NNN LEASE | RARE 5% RENT INCREASES EVERY 5-YEARS

WALGREENS PHARMACY
HUDSON, NC

Marcus & Millichap
THE GLASS GROUP

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INVESTMENT OVERVIEW

WALGREENS PHARMACY

LONG TERM ABSOLUTE NNN LEASE | RARE 5% INCREASES EVERY 5-YEARS
WELL-ESTABLISHED LOCATION

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INVESTMENT OVERVIEW¹

LONG TERM ABSOLUTE NNN LEASE

The subject property operates under a long term 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.

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.

CRITICAL DRIVE-THROUGH LANE

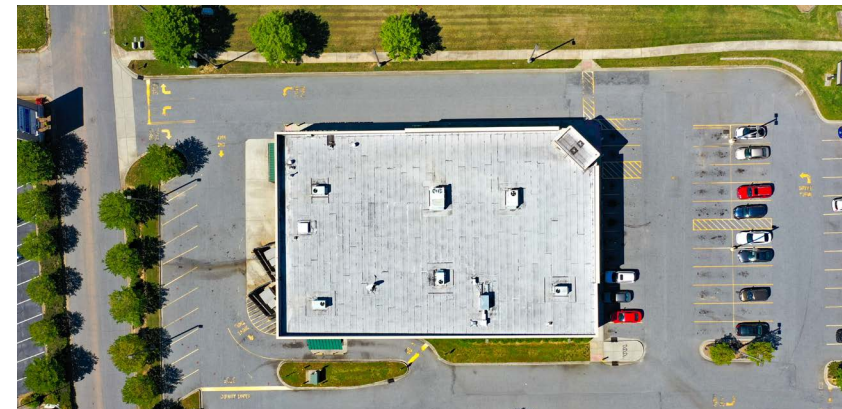
According to the Wall Street Journal, more companies look for properties that will allow them to serve customers in their cars. Interest in drive-through real estate was growing even before Covid-19, but it exploded last year when total sales volume for restaurants, pharmacy and bank properties hit a 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.

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.

GROWING DATA CENTER HOTSPOT* | MAIN THOROUGHFARE

Once known for its furniture industry, Caldwell County sits at the heart of a region that's fast becoming a data center hotspot. Google, Apple and Facebook have invested heavily in this region as well as other international businesses. The subject property is situated on Hickory Blvd/U.S. 321 (28,991 VPD). Walgreens is in close proximity to Dollar General, Food Lion Grocery Store, Walmart Neighborhood Market, Burger King, Goodwill, Wendy's, Caldwell Community College and Technical Institute.



(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
(*) Data obtained from Wikipedia

OFFERING HIGHLIGHTS¹

WALGREENS

3062 HICKORY BLVD
HUDSON, NC 28638

Net Operating Income	\$247,350
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	4/27/2022
Lease Expiration Date	4/30/2035
Year Built	2008 ¹
Rentable Area	14,539 SF ¹
Lot Size	1.677 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

For questions on financing and latest terms, please contact:

Chris Marks

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212.430.5173 direct

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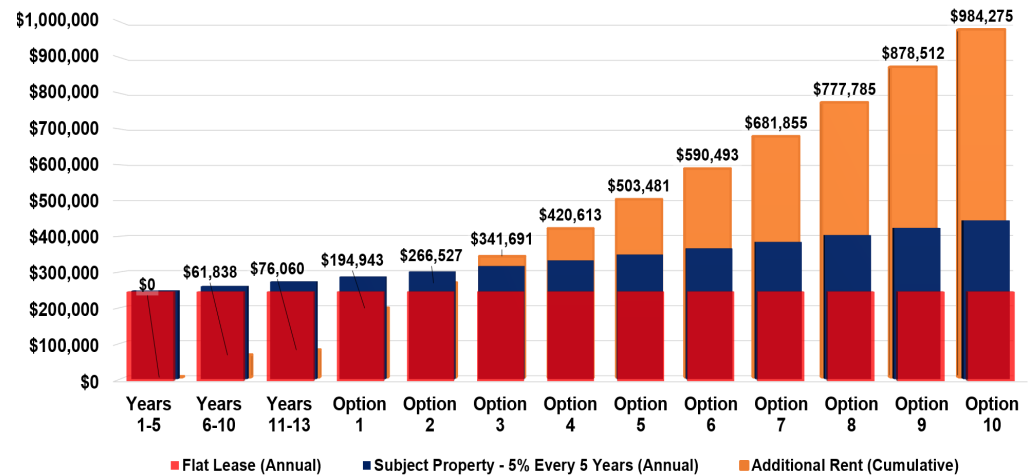
OFFERING PRICE

\$4,802,913

CAP RATE

5.15%

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 9 countries and employs more than 315,000 people. The Company has over 13,000 stores within the U.S., Europe, and Latin America 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 8,965 retail stores in the division as of August 31, 2021. 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, 2021, 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

- ▣ \$132.5 BILLION IN REVENUE / \$23.8 BILLION NET WORTH (FY 2021)
- ▣ INVESTMENT GRADE TENANT / WALGREENS CO. - RECENTLY AFFIRMED (2021) MOODY'S RATED BAA2 / OUTLOOK STABLE
- ▣ 8,965 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
- ▣ 827.5 MILLION PRESCRIPTIONS, INCLUDING IMMUNIZATIONS, WERE FILLED IN FY 2021
- ▣ 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

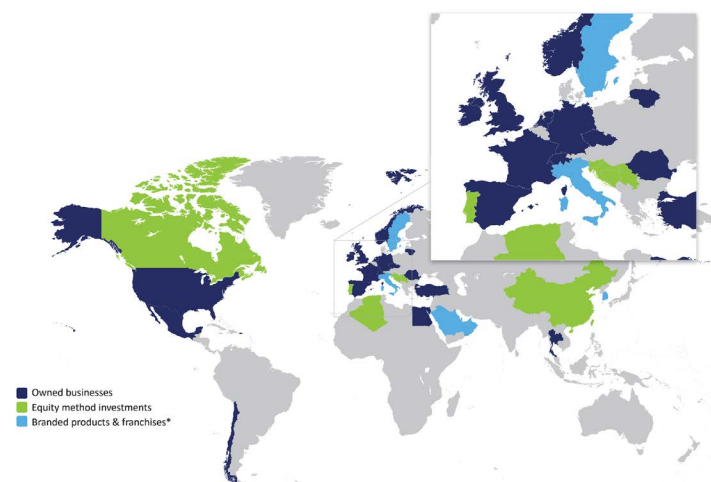
● United States
● International



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



**CONVENIENTLY
LOCATED ALONG
MAJOR REGIONAL
DATA CENTER
HOTSPOT**

**HUDSON IS HOME TO
KINCAID FURNITURE,
BEOCARE, SEALED
AIR CORPORATION
AND SHURTAPE
TECHNOLOGIES**

**60% OF THE FURNITURE
MADE IN THE U.S.
IS FROM HUDSON**

FURNITURE INDUSTRY LEADER

The city of Hudson is a small, picturesque town in Caldwell County, in the foothills of Western North Carolina just over one hour from the Charlotte Douglas International Airport. According to the most recent census, Hudson has a population of 3,800 residents, but during the day, this population swells to over 11,000 people due to commuters who work in town and students who attend school at Caldwell Community College and Technical Institute. The North Carolina Department of Transportation plans to widen U.S. 321 in this area to six lanes to accommodate the growing population demands. Kincaid Furniture, Shurtape Technologies, BeoCare and Sattler Outdura call Hudson home.

WELL-ESTABLISHED LOCATION ALONG U.S. 321

The subject property is located at a signalized corner with excellent access and visibility along Hickory Boulevard (28,991 VPD). Walgreens is conveniently positioned near Caldwell Community College and Technical Institute (4,800+ students) and Hudson Elementary School and Hudson Middle School (1,330+ students combined). National retailers in the immediate trade area include Food Lion Grocery Store, Wendy's, Dollar General, Goodwill, Arby's, Walmart Neighborhood Market, Burger King, Bojangles, and many more.

GROWING DATA CENTER HOTSPOT*

Once known for its furniture industry, Caldwell County sits at the heart of a region that's fast becoming a data center hotspot. Google, Apple and Facebook have invested heavily in this region as well as other international businesses such as Shurtape Technologies, BeoCare, and Sattler Outdura. In 2007, Google opened a data center just 6 miles from Hudson in nearby Lenoir. Google's expansion in 2013 brings Google's total investment in the Lenoir data center to \$1.2 Billion.



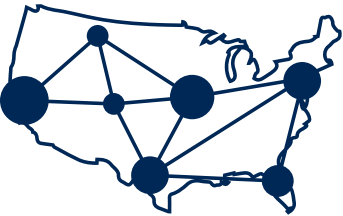
AERIAL OVERVIEW



AERIAL OVERVIEW



DEMOGRAPHICS¹



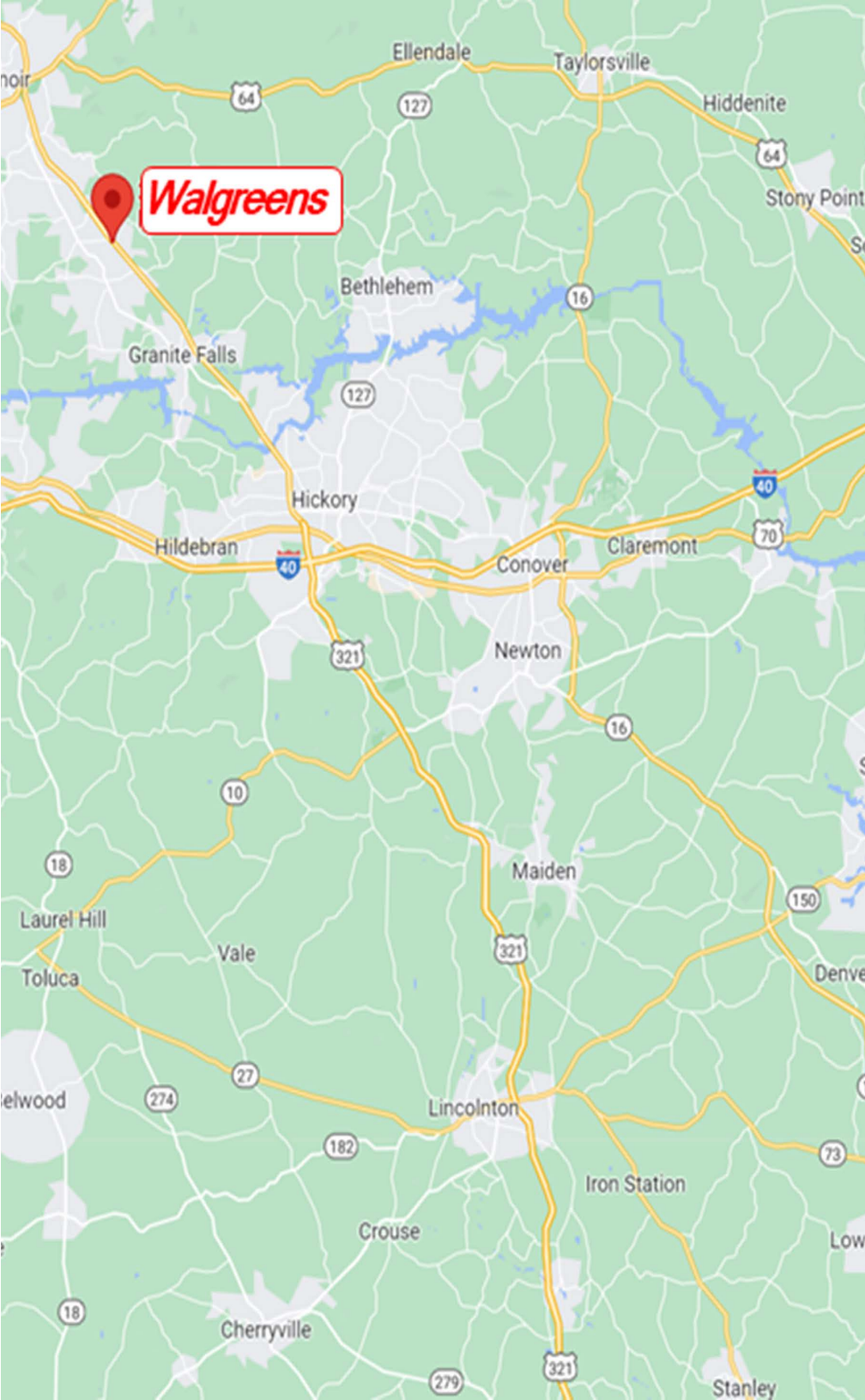
HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$67,147	\$59,569	\$58,811
MEDIAN	\$52,928	\$45,131	\$45,335

POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	2,504	16,849	36,644
2021 Census Total Population	2,462	16,760	36,609
2010 Census Total Population	2,425	16,720	36,786

Sources: Marcus & Millichap Research Services, CoStar



ACTUAL LOCATION



WALGREENS PHARMACY

HUDSON, NC

EXCLUSIVELY LISTED BY

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