



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

**WALGREENS PHARMACY**

LAKE PLACID, FLORIDA

Marcus & Millichap  
THE GLASS GROUP



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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.**

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Marcus & Millichap

# INVESTMENT OVERVIEW

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## WALGREENS PHARMACY

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

Marcus & Millichap

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# INVESTMENT OVERVIEW<sup>1</sup>

## 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.

## 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 Property is located on a signalized hard corner with frontage along U.S. Route 27, Lake Placid's main commercial corridor, with average daily traffic counts of 29,500. It is situated across from a Save a Lot anchored shopping center occupied by Tractor Supply Co., Dunkin' Donuts, TD Bank, Family Dollar, Boost Mobile, Pizza Hut, Beef 'O' Bradys, and Anytime Fitness. Other national tenants in the immediate area include Publix, Wawa, Dollar General, Bealls Outlet, Badcock & more, O'Reilly Auto Parts, Wendy's, Advance Auto Parts, McDonald's, NAPA Auto Parts, and Papa Johns. AdventHealth Lake Placid, a 50-bed hospital with 24/7 emergency and urgent care, is only two miles north along U.S. Route 27.

## 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.

## CENTRAL FLORIDA LOCATION

Lake Placid is positioned in the center of the state, 75 miles southeast of Lakeland, 100 miles south of Orlando, and 86 miles west of Vero Beach. More than 86 percent of Florida's population is located within a two-hour radius of Highlands County (over 18 million people). It's situated in the middle of Florida's extensive multi-modal infrastructure and surrounded by three interstates, commercial airports, an intermodal logistics center, and deep-water ports. The location is also nearly equidistant (about 1.5 hours) to Orlando, Tampa, Fort Myers, and West Palm Beach.

## 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) Sources: www.walgreensbootsalliance.com

# OFFERING HIGHLIGHTS<sup>1</sup>

## WALGREENS

2 U.S. ROUTE 27  
LAKE PLACID, FL 33852

Net Operating Income	\$244,440.00
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	4/27/2022
Lease Expiration Date	4/30/2035
Year Built	2007 <sup>1</sup>
Rentable Area	13,455 SF <sup>1</sup>
Lot Size	1.30 Acres <sup>1</sup>
Rent Escalations	5% Every 5 Years
Options	(12) Five-Year Options
Tenant / Guarantor	Walgreens Co.
Right of First Refusal	Yes, Twenty (20) Days

## POTENTIAL FINANCING OPTIONS<sup>2</sup>

For questions on financing and latest terms contact:

Chris Marks

Marcus & Millichap Capital Corporation

212.430.5173 direct

[cmarks@marcusmillichap.com](mailto:cmarks@marcusmillichap.com)

### OFFERING PRICE

**\$5,256,774**

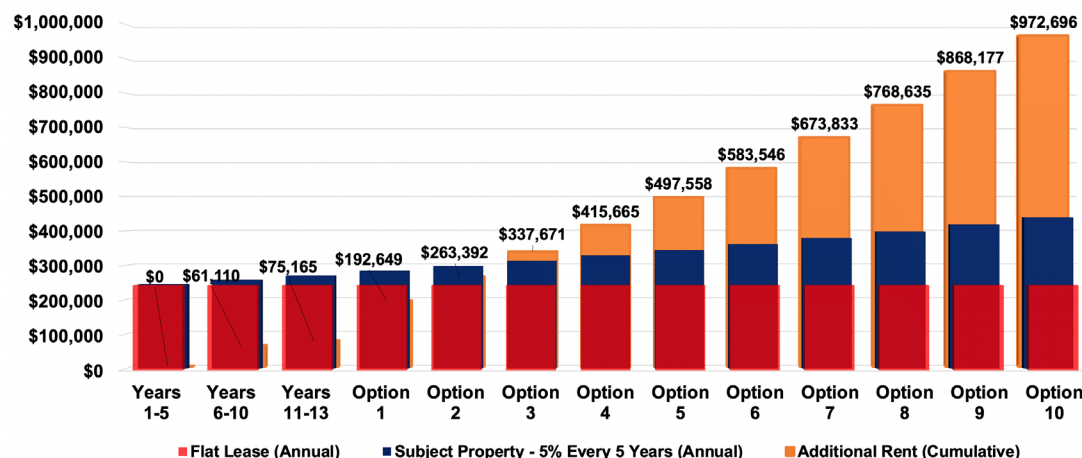
### CAP RATE

**4.65%**

### ADDITIONAL RENT COMPARISON

#### SUBJECT PROPERTY VS. HISTORICAL FLAT LEASE<sup>2</sup>

CUMULATIVE ADDITIONAL RENT OVER COMPARABLE LEASE AND OPTION PERIODS



ACTUAL LOCATION

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(2) 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 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 HIGHLIGHTS<sup>1</sup>

- ▶ \$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 HIGHLIGHTS<sup>1</sup>

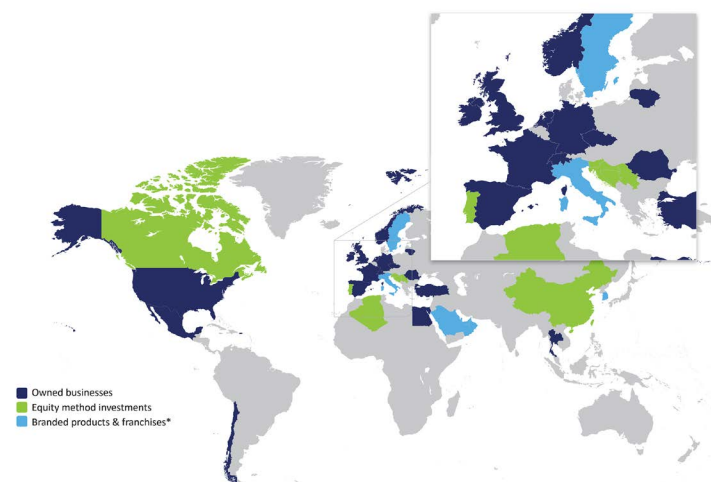


**FY21 Sales**  
● United States  
● International



**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)

The latest financial results are available here: <https://investor.walgreensbootsalliance.com/financials/>

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# LOCATION OVERVIEW

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# LOCATION OVERVIEW<sup>1</sup>



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

**LOCATED ON A  
SIGNALIZED CORNER  
WITH EXCELLENT  
VISIBILITY (22,968 VPD)**

**CENTRAL FLORIDA  
LOCATION  
EQUIDISTANT TO  
ORLANDO, TAMPA,  
FORT MYERS, AND  
WEST PALM BEACH**

Marcus & Millichap

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

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## **LAKE PLACID NAMED "AMERICA'S MOST INTERESTING TOWN"**

One of Florida's most beautiful small towns, Lake Placid boasts nearly 50 outdoor murals adorning its downtown buildings. Found in the lake-intensive center of the state and known as the Caladium Capital of the World, Lake Placid has 29 freshwater lakes, beautiful murals around town depicting its history, Toby's Clown School and the historical Happiness Tower which rises 270 feet above ground. Reader's Digest named Lake Placid "America's Most Interesting Town" in 2012.







1 DOLLAR TREE  
Save a lot  
FAMILY DOLLAR  
ANYTIME FITNESS  
boost mobile  
TSC TRACTOR SUPPLY CO  
Pizza Hut  
BEER TUBES

Badcock & more  
HOME FURNITURE

Publix  
BEALLS Outlet  
SUBWAY

Wawa

DOLLAR GENERAL

MIDFLORIDA  
Florida's community credit union

Walgreens

SouthState

O'Reilly  
AUTO PARTS

Central Florida Pediatric Associates  
CORA Physical Therapy

DUNKIN' DONUTS

TD Bank

CVS pharmacy

NAPA

22,968 VPD

27

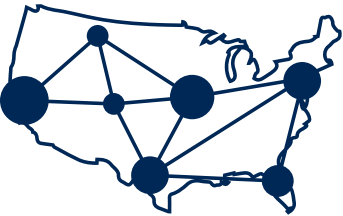
27







# DEMOGRAPHICS<sup>1</sup>



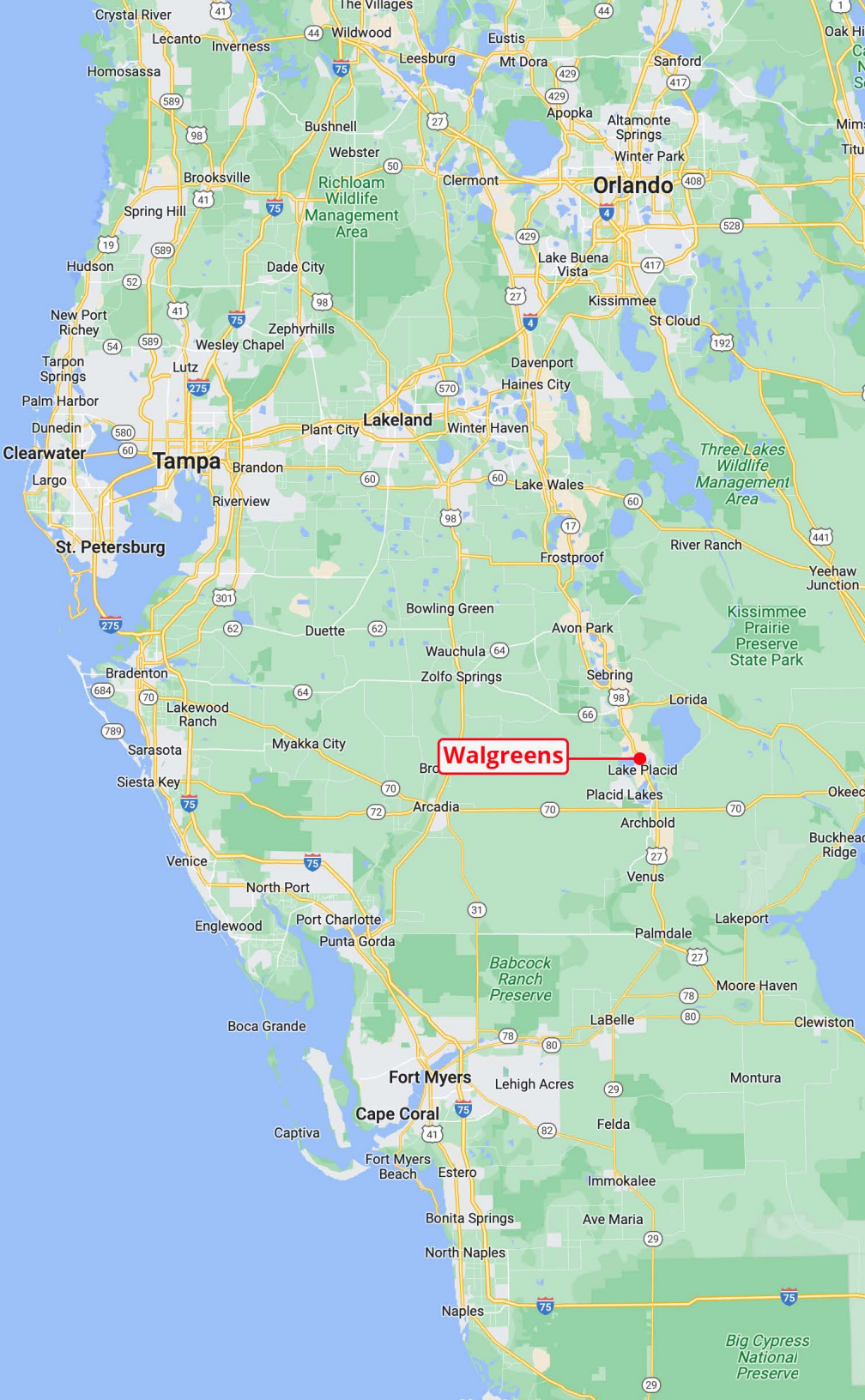
## HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$63,215	\$62,797	\$60,705
MEDIAN	\$38,772	\$43,533	\$45,723

## POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	3,181	11,495	19,129
2021 Census Total Population	3,101	11,282	18,822
2010 Census Total Population	2,849	10,388	17,319

Sources: Marcus & Millichap Research Services, CoStar







# WALGREENS PHARMACY

## LAKE PLACID, FLORIDA

EXCLUSIVELY LISTED BY

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