



OFFERING MEMORANDUM

DOLLAR GENERAL | WALGREENS

PIKEVILLE, KY

Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP



DOLLAR GENERAL | WALGREENS

5571 COLLINS HWY · PIKEVILLE, KY 41501



PRICE

\$1,891,000



YEAR ONE NOI

\$141,814



YEAR BUILT

1993



OCCUPANCY

100%



SQUARE FEET

18,660



LAND AREA

1.5 AC



**EXISTING DEBT
FREE & CLEAR**



PARCEL ID

2909

**FOR ADDITIONAL INFORMATION,
PLEASE CONTACT:**

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Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

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TABLE OF CONTENTS

INVESTMENT OVERVIEW

OFFERING SUMMARY
INVESTMENT HIGHLIGHTS
TENANT SUMMARIES

MARKET OVERVIEW

MARKET AREA
DEMOGRAPHICS

FINANCIAL ANALYSIS

FINANCIAL SUMMARY
RENT ROLL



INVESTMENT OVERVIEW

DOLLAR GENERAL | WALGREENS

Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

Pikeville, Ky

Kentucky Bookkeeping
Wright Construction
Cochran Industries

QUALITY FOODS
GROCERY STORE

 **US Hwy 23**
11,911 VPD

DOLLAR GENERAL

Walgreens



**UNITED STATES
POSTAL SERVICE**



Shelby Valley High School
557 Students
Valley Elementary School
859 Students



PARKVIEW
POST-ACUTE AND REHABILITATION CENTER

OFFERING SUMMARY

DOLLAR GENERAL | WALGREENS

5571 Collins Hwy, Pikeville, KY 41501

THE OFFERING

\$1,891,000

PRICE

7.50%

CAP

NOI	\$141,814
SQUARE FEET	18,660 SF
OCCUPANCY	100%
YEAR BUILT	1993
LOT SIZE	1.5 AC



MAJOR TENANTS	SQ. FT.	GLA (%)	TERM REMAINING	OCCUPANCY HISTORY	RENT/SF
DOLLAR GENERAL	10,800	57.88%	7 Years	30 Years	\$3.50
<i>Walgreens</i>	7,860	42.12%	6 Years	30 Years	\$14.66



WALGREENS

OUTSTANDING SALES NUMBERS



2021 SALES
\$7,886,285



2022 SALES
\$8,509,125

DOLLAR GENERAL

Walgreens

PHARMACY

INVESTMENT HIGHLIGHTS

DOLLAR GENERAL | WALGREENS

TWO TENANT STRIP CENTER

- The property is a two-tenant strip center leased to investment grade tenants in Pikeville, KY
- Dollar General is an original tenant and just executed a renewal that will expire in 2030
- Walgreens is an original tenant and just recently executed a 5-year renewal

DOLLAR GENERAL | INVESTMENT GRADE TENANT

- Dollar General is a publicly traded (NYSE: DG) Fortune 500 company with an S&P investment grade credit rating of BBB.
- Currently over 18,200 locations and expanding by 1,050 stores each year.
- Dollar General has been in business for 80 years and has a current net worth of over \$6.2 billion.

WALGREENS | INVESTMENT GRADE TENANT

- Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe with 9,277 stores in all 50 states.
- Walgreens is publicly traded (WBA: NYSE) with a net worth in excess of \$110 billion.
- Both Walgreen Co. and Walgreens Boots Alliance, Inc. are investment-grade rated each with a Standard & Poor's rating of BBB.

PIKEVILLE KENTUCKY

- Pikeville is a city in and the county seat of Pike County, Kentucky and located 96 miles north of Kingsport, KY and 142 miles east of Lexington, KY
- The city has been a center of rapid development in Eastern Kentucky since the 1990s. Pikeville College (now the University of Pikeville) opened the Kentucky College of Osteopathic Medicine in 1997 along with the Kentucky College of Optometry, the first optometry school in Central Appalachia, in the fall of 2016.
- In October 2005, the 7,000 seat, multi-purpose Appalachian Wireless Arena opened in downtown.
- Pikeville Medical Center has established itself as a regional healthcare center. In 2014, a new 11-story clinic and a 10-story parking structure was completed at a cost of \$150 million. The hospital has also become a member of the Mayo Clinic Care Network.
- In 2017, construction has begun on a 60,000 square foot manufacturing facility to be owned and operated by SilverLiner, whose primary business is expected to be the manufacture and assembly of tanks for tanker trucks.
- In 2018, Pikeville's City government was named 2018 KLC City Government of the Year by the Kentucky League of Cities. This was the inaugural year for the award and was intended to recognize "a city that has done something transformational and our first ever recipient certainly demonstrates a city making a huge impact on its region."



TENANT SUMMARIES

DOLLAR GENERAL | WALGREENS

DOLLAR GENERAL

Walgreens

PHAR

Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

TENANT SUMMARY

FORTUNE[®]
500

PROVEN MOMENTUM.
ESSENTIAL RETAILER.



BBB

S&P CREDIT RANKING
INVESTMENT GRADE

DG

PUBLICALLY
TRADED

\$54.4 B

TOTAL NET
WORTH

83

YEARS IN
BUSINESS

19,000+

STORES IN
47 STATES

1,050

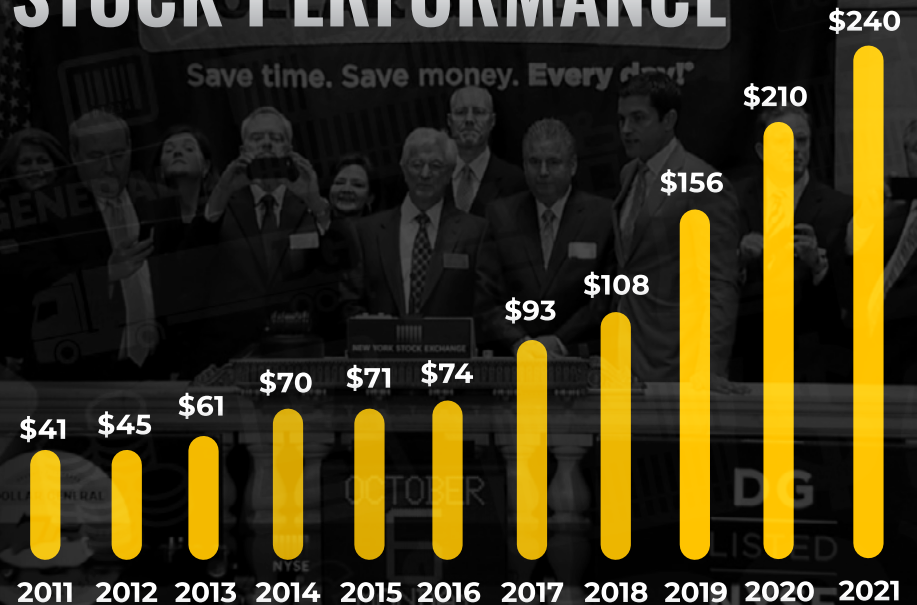
NEW STORES
PLANNED FOR 2022

REPRESENTATIVE

19,000+ STORES IN 47 STATES



STOCK PERFORMANCE



**\$32.07 BILLION**NET
WORTH**9,277+**NUMBER
OF STORES**BBB**CREDIT
RATING**WBA**STOCK
SYMBOL**#35**FORTUNE
500 RANKING**202K**TOTAL
EMPLOYEES**DEERFIELD, IL**HEADQUARTERS
LOCATION

Founded in 1901 as a single drug store, Walgreens today is a provider of trusted care in communities around the U.S. Through constant innovation, Walgreens has a history of breaking new ground to meet its customers' needs and improve their health. This drive to innovate led Walgreens to merge with European-based Alliance Boots in 2014 to form Walgreens Boots Alliance, Inc., the first global pharmacy-led, health and well-being enterprise. Combining Walgreens with the Boots pharmacy chain and pharmaceutical distributor Alliance Healthcare has created opportunities to bring global beauty brands to Walgreens U.S. customers and offer more value to pharmacy patients through global pharmaceutical supply chains and

group purchasing. Recently Walgreens completed acquisition of more than 1,900 Rite Aid drugstores in the U.S., making Walgreens quality health care accessible to more customers and patients. As today's health care and retail markets continue to evolve, customers are redefining value and convenience as they change the way they shop and adopt new technologies. Anticipating these changes, Walgreens is accelerating its transformation as a customer-led company and creating a new health care and retail experience. The first step was relaunching Walgreens brand in December 2017. "Trusted since 1901" focuses on three characteristics deeply rooted in Walgreens history: trust, care and accessibility.

A photograph of a Dollar General and Walgreens store at dusk. The building has a corrugated metal upper section and a brick lower section. The Dollar General sign is illuminated in yellow, and the Walgreens sign is in red. A red car is parked in the foreground, and a white SUV is parked to the left. The background shows a hill with bare trees.

DOLLAR GENERAL

Walgreens

PHARMACY

MARKET OVERVIEW

DOLLAR GENERAL | WALGREENS

Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP

Appalachian Arena
WIRELESS
7,000 SEAT MULTI-PURPOSE ARENA

UNIVERSITY OF PIKEVILLE
UPIKE
2,366 STUDENT COUNT

PIKEVILLE
MEDICAL CENTER
Rated in Top 1% Nationally
Emergency Care & Cancer Care (2023)

FOOD CITY **DG**
FAMILY DOLLAR **FAZOLI'S**

Walmart
LOWE'S **petco**
FOOD CITY **STEAK 'N SHAKES**
Marshalls **MOE'S**
BUFFALO WILD WINGS **Arby's** **TEXAS ROADHOUSE**

Chick-fil-A **KFC**
Wendy's **Papa John's** **SUBWAY**
McDonald's

SILVERLINER
60,000 SF MANUFACTURING FACILITY

 **US Hwy 23**
11,911 VPD

DOLLAR GENERAL
Walgreens



Shelby Valley High School
557 Students
Valley Elementary School
859 Students



PARKVIEW
POST-ACUTE AND REHABILITATION CENTER



UNITED STATES
POSTAL SERVICE

Pikeville, Ky

Pikeville, Ky

Kentucky Bookkeeping
Wright Construction
Cochran Industries

QUALITY FOODS
GROCERY STORE

 **US Hwy 23**
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DOLLAR GENERAL

Walgreens



**UNITED STATES
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PARKVIEW
POST-ACUTE AND REHABILITATION CENTER

DEMOGRAPHIC SUMMARY

DOLLAR GENERAL | WALGREENS

POPULATION	5 Mile	7 Miles	10 Miles
2027 Projected Population	8,205	20,594	35,040
2022 Estimated Populaton	8,188	20,538	35,007
2010 Census Population	8,628	21,304	36,772
2000 Census Population	9,068	22,076	38,483

DAYTIME POPULATION	5 Mile	7 Miles	10 Miles
2022 Estimate Population	7,119	24,322	36,201

HOUSEHOLDS	5 Mile	7 Miles	10 Miles
2027 Projected Households	3,449	8,324	14,218
2022 Estimated Households	3,401	8,240	14,096
2010 Census Households	3,617	8,830	15,124
2000 Census Households	3,644	8,937	15,391

HOUSEHOLD INCOME	5 Mile	7 Miles	10 Miles
2022 Est. Average HH Income	\$50,422	\$51,995	\$54,039
2022 Est. Median HH Income	\$36,992	\$34,909	\$36,245

HOUSEHOLDS BY INCOME	5 Mile	7 Miles	10 Miles
2022 Estimate			
\$200,000 or More	1.26%	1.91%	2.22%
\$150,000 - \$199,999	1.36%	1.88%	2.12%
\$100,000 - \$149,999	8.32%	8.48%	8.61%
\$75,000 - \$99,999	10.47%	9.23%	9.13%
\$50,000 - \$74,999	17.18%	15.96%	15.44%
\$35,000 - \$49,999	13.01%	12.45%	13.65%
\$25,000 - \$34,999	11.52%	10.16%	10.12%
\$15,000 - \$24,999	15.01%	14.91%	15.61%
\$10,000 - \$14,999	7.41%	8.66%	8.19%
Under \$9,999	14.45%	16.35%	14.92%

OCCUPIED HOUSING UNITS	5 Mile	7 Miles	10 Miles
2027 Projected			
Owner Occupied Housing Units	56.37%	50.37%	54.15%
Renter Occupied Housing Units	21.73%	27.74%	24.23%
Vacant	21.89%	21.89%	21.62%
2022 Estimate			
Owner Occupied Housing Units	57.19%	51.12%	54.95%
Renter Occupied Housing Units	21.87%	27.89%	24.34%
Vacant	23.58%	23.50%	23.06%
2010 Estimate			
Owner Occupied Housing Units	66.90%	59.93%	63.89%
Renter Occupied Housing Units	21.51%	28.35%	24.53%
Vacant	11.59%	11.72%	11.58%

Marcus & Millichap

Source: © 2023 Experian



FINANCIAL ANALYSIS

DOLLAR GENERAL | WALGREENS

Marcus & Millichap
TAYLOR MCMINN
RETAIL GROUP





FINANCIAL SUMMARY

DOLLAR GENERAL | WALGREENS

ANNUALIZED OPERATING DATA	CURRENT
BASE RENT	\$153,000
TOTAL REIMBURSEMENTS	\$32,945
TOTAL GROSS REVENUE	\$185,945
TOTAL EXPENSES	(\$44,130)
NET OPERATING INCOME	\$141,814

REIMBURSEMENTS	
REAL ESTATE TAXES	\$8,650 ¹
INSURANCE	\$2,904 ²
CAM	\$21,391 ³
TOTAL REIMBURSEMENTS	\$32,945

UNDERWRITING NOTES

1. Tenants Reimburse full Pro Rata Share for Taxes
2. Walgreens Reimburses for Insurance Expenses. Dollar General is not Reimbursing for Insurance Expense
3. Both tenants reimburse for CAM

REIMBURSEMENTS	
REAL ESTATE TAXES	(\$8,650) ¹
INSURANCE	(\$6,893) ²
CAM	(\$21,391) ³
NON-REIMBURSABLE R&M	(\$7,196) ⁴
TOTAL EXPENSES	(\$44,130)

UNDERWRITING NOTES

1. 2022 Actual Expense
2. 2022 Actual Expense
3. 2022 Actual Expense
4. 3 Year Average of Non-Reimbursable Expenses



RENT ROLL

DOLLAR GENERAL | WALGREENS

SUITE	TENANT	SQ. FEET	% OF GLA	LEASE TERM			RENTAL RATES		EXPENSE RECOVERY CALCULATION METHOD
				BEGIN	END		PSF	ANNUAL	
1	DOLLAR GENERAL	10,800	57.88%	Nov-1992	May-2030	Current	\$3.50	\$37,800	CAM: Pro Rata Share Tax: Pro Rata Share Ins: Pro Rata Share
						Options Five / 5-Year			
						Option 1:	\$3.50	\$37,800	
						Option 2:	\$3.50	\$37,800	
2	Walgreens	7,860	42.12%	Oct-1992	Nov-2028	Current	\$14.66	\$115,200	CAM: Pro Rata Share Tax: Pro Rata Share Ins: Pro Rata Share
						Options Five / 5-Year			
						Option 1:	\$15.39	\$120,960	
						Option 2:	\$16.16	\$127,008	
						Option 3:	\$16.97	\$133,358	
						Option 4:	\$17.82	\$140,026	
						Option 5:	\$18.71	\$147,028	
TOTAL OCCUPIED		18,660	100%						
TOTAL VACANT		0	0%						
TOTAL		18,660	100%						



TENANT ROSTER

1	Dollar General	10,800
2	Walgreens	7,860
	TOTAL	18,660



DOLLAR GENERAL

Walgreens

 Hwy 92
27,700 VPD

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