



LONG TERM ABSOLUTE NNN LEASE | RARE 5% RENT INCREASES EVERY 5 YEARS
WALGREENS PHARMACY
SOUTHAVEN, MISSISSIPPI (MEMPHIS MSA)

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Marcus & Millichap

INVESTMENT OVERVIEW

WALGREENS PHARMACY

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

Marcus & Millichap

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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.

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 situated at a 4-way signalized hard corner of U.S. Highway 51/N Panola Street and Norfleet Drive with a combined traffic count in excess of 21,000 VPD. The Walgreens is across the street from a Walmart Supercenter and Northwest Mississippi Community College, Tate County's largest employer. There are average household incomes of \$68,737 within 5-miles of the subject property.

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 – 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

OFFERING HIGHLIGHTS¹

WALGREENS

1065 MAIN STREET
SOUTHAVEN, MS 38671
(MEMPHIS MSA)

Net Operating Income	\$228,228
Lease Type	Absolute NNN
Lease Term	13 Years
Lease Commencement	4/15/2022
Lease Expiration Date	4/30/2035
Year Built	2004 ¹
Rentable Area	10,374 SF ¹
Lot Size	1.77 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

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Marcus & Millichap

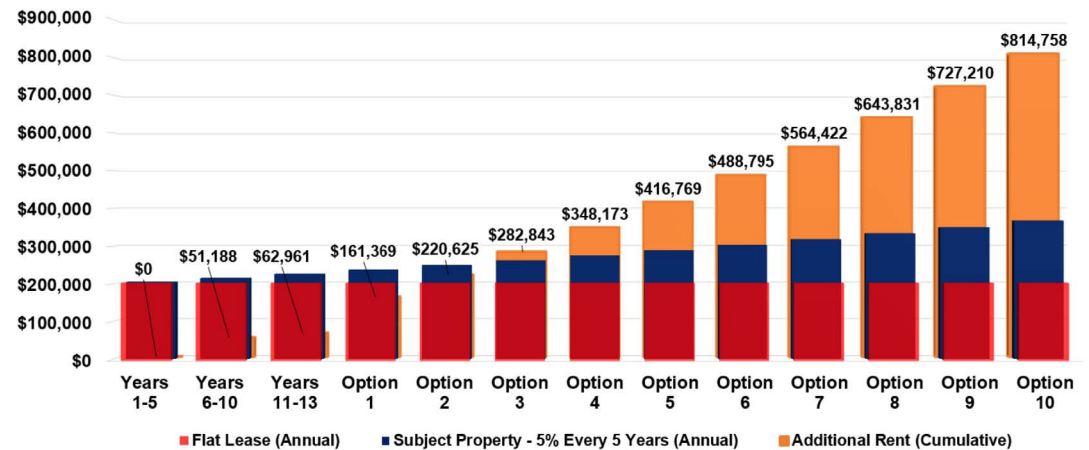
OFFERING PRICE

\$4,431,612

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

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

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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.

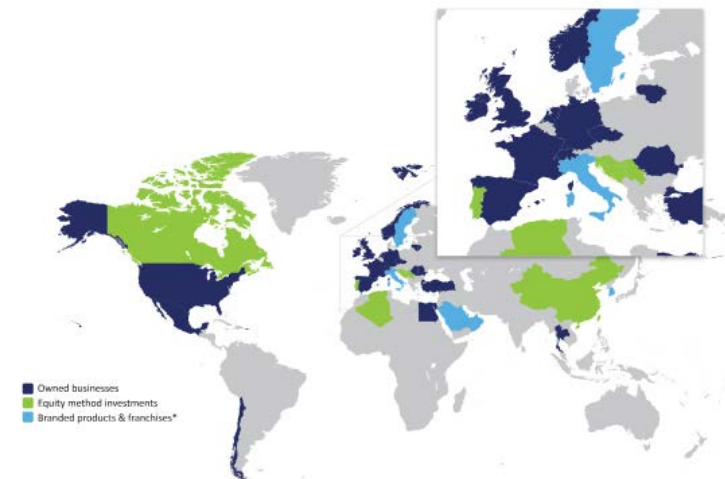
COMPANY HIGHLIGHTS¹

- ▣ \$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



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



**AMAZON IS ONE OF
DESOTO COUNTY'S
LARGEST EMPLOYERS**

**OVER 1 MILLION
RESIDENTS IN THE
MEMPHIS MSA**

**AVERAGE HHI OF
\$60,209 WITHIN 5-MI**

**ONE OF THE FASTEST
GROWING REGIONS IN
THE COUNTRY**

SURROUNDED BY NATIONAL RETAILERS

The subject property is strategically located in the heart of Southaven, which is only 20 minutes south of Downtown Memphis. Surrounded by an abundance of national retailers and residential neighborhoods, Walgreens is minutes from the Tennessee-Mississippi State Border. Other nationally-recognized retailers in the immediate vicinity include Walmart Supercenter, Goodwill, Kroger, Dollar Tree, RaceWay, and many more.

STRONG RETAIL CORRIDOR LOCATION WITH EXCELLENT VISIBILITY

The property is situated at a 4-way signalized hard corner of Main Street and Millbranch Road with traffic counts of 22,470 VPD. There are average household incomes of \$60,209 within 5-miles of the subject property.

SITUATED 20 MINUTES SOUTH OF DOWNTOWN MEMPHIS



The City of Southaven is located just 20 minutes south of Downtown Memphis. With Big City life in Metropolitan Memphis just minutes away, Southaven boasts a more affordable cost of living and a slower-paced quality of life while still enjoying the arts, culture, restaurants, shopping and rich history of Greater Memphis. The Memphis International Airport, the FedEx Global Freight Hub, the International Port of Memphis and immediate access to Interstate 55 all contribute toward DeSoto County's business and industry. Approximately 75% of the United States, Canada and Mexico markets are within a 20 hour truck drive from the region.



AERIAL OVERVIEW



Main Street 22,470 VPD

 **SHERWIN-WILLIAMS**
 **LabCorp**
Laboratory Corporation of America

 **LifeSpring** CHURCH
A Place To Belong

 **TACO BELL**

Stateline
Liquor,
Wine &
Local
Retailers

Walgreens Site

PARCEL LINES ARE NOT EXACT.
BUYER TO DUE THEIR DUE DILIGENCE

AERIAL OVERVIEW



RITE
AID

Checkers
* CRAZY GOOD FOOD *

Wendy's

55

cricket
wireless

goodwill

Regional
Tenants

Walgreens

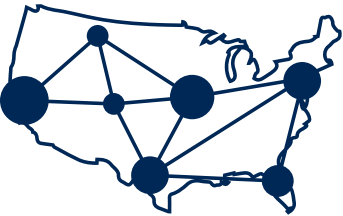
Residential
Neighborhoods

Main Street (22,470 VPD)

AERIAL OVERVIEW



DEMOGRAPHICS¹



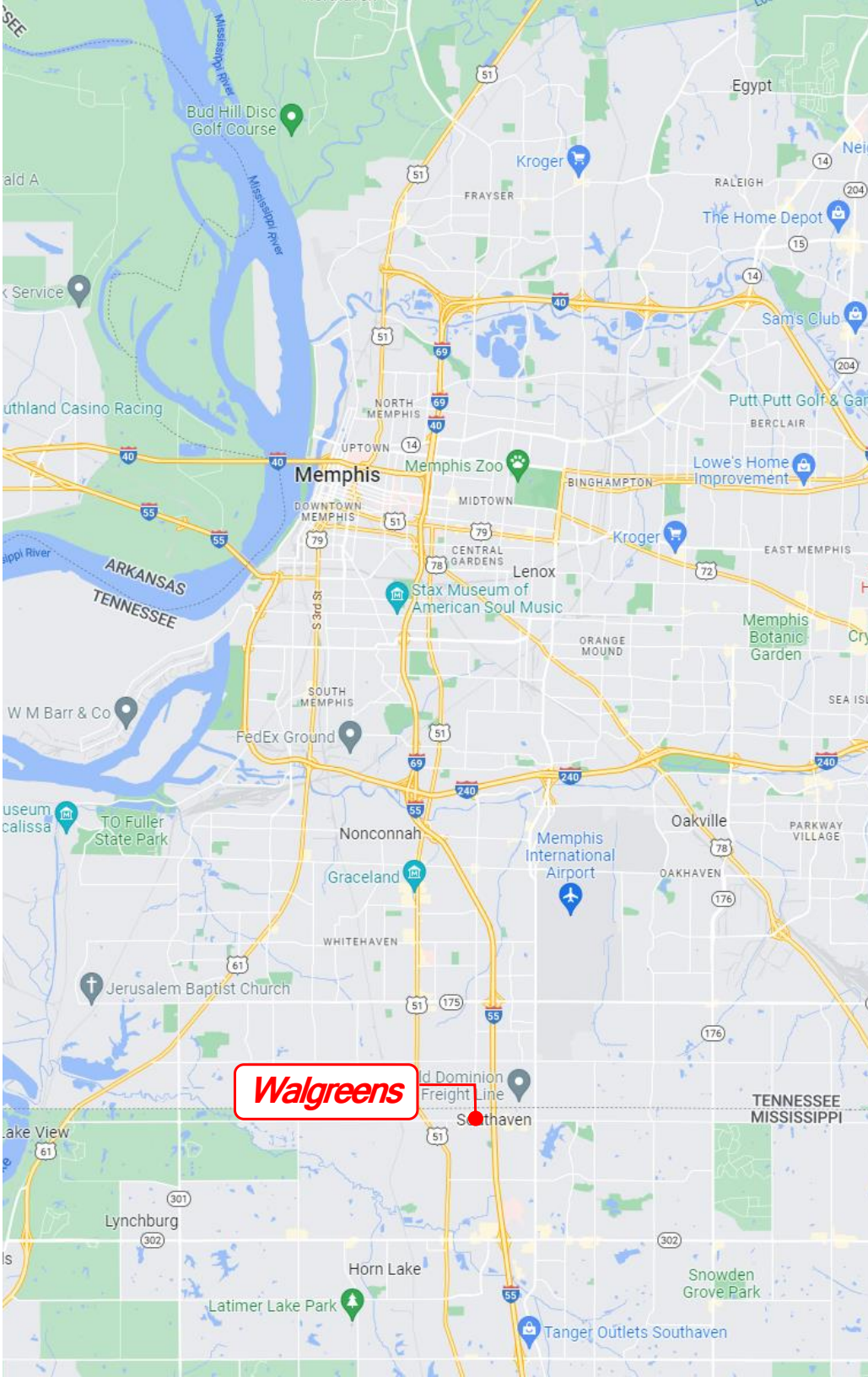
HOUSEHOLD INCOME

YEAR 2021	1 MILE	3 MILES	5 MILES
AVERAGE	\$56,536	\$57,067	\$60,209
MEDIAN	\$45,191	\$45,652	\$46,581

POPULATION

YEAR	1 MILE	3 MILES	5 MILES
2026 Projection Total Population	10,275	58,845	140,242
2021 Census Total Population	10,166	58,264	138,223
2010 Census Total Population	9,862	56,716	132,879

Sources: Marcus & Millichap Research Services, CoStar





ACTUAL LOCATION

WALGREENS PHARMACY

SOUTHAVEN, MISSISSIPPI (MEMPHIS MSA)

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