

Walgreens

12050 N DOVE MOUNTAIN BLVD | MARANA, AZ 85658
OFFERING MEMORANDUM



INTERACTIVE PDF



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OFFERING MEMORANDUM

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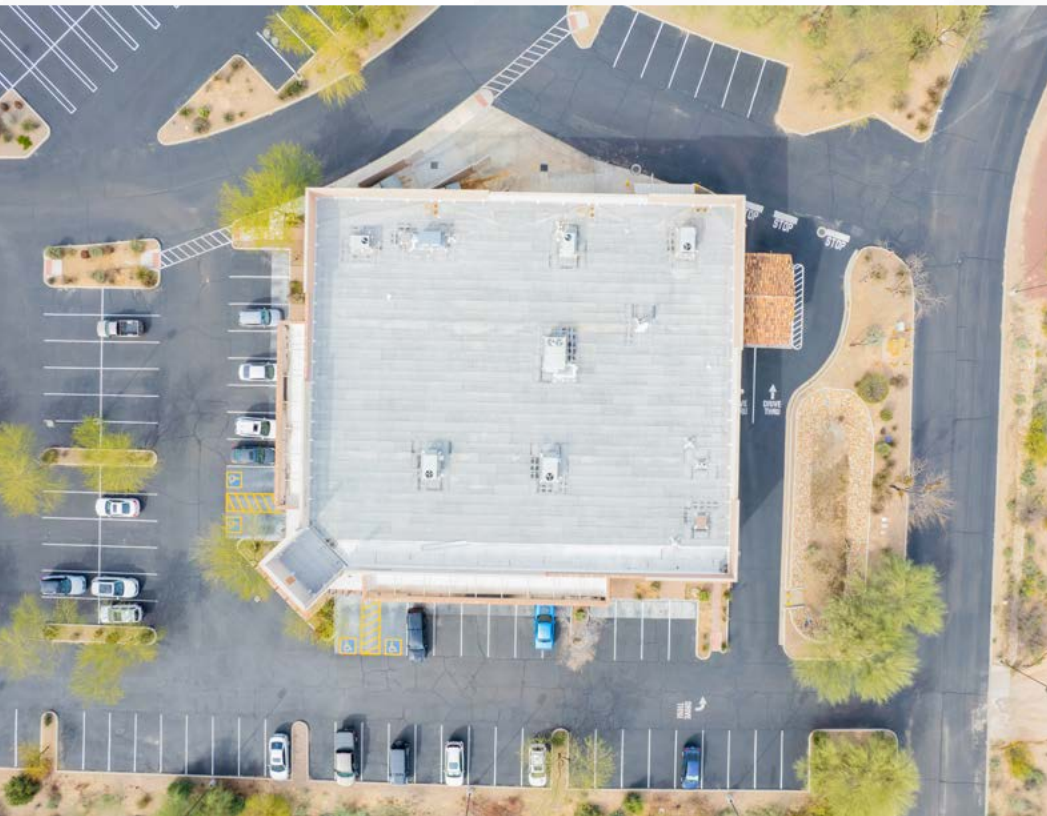
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EXECUTIVE OVERVIEW

INVESTMENT HIGHLIGHTS

- **AFFLUENT COMMUNITY + RITZ CARLTON DOVE MOUNTAIN** – This Walgreens serves the Dove Mountain community which is home to the Ritz Carlton at Dove Mountain, a prestigious 5-star resort. The average household income within the 3-mile radius exceeds \$111,236
- **TUCSON, AZ MSA** – Marana is located North West of Tucson, the second largest city behind Phoenix in Arizona. Tucson is home to the University of Arizona and according to the 2020 U.S. census the estimated population is 542,629 people
- **RARE SCHEDULED RENTAL INCREASES** – This lease features scheduled rental increases every 10 years which is rare to find in Walgreens and most other drug store leases. The next rental increase is scheduled for December of 2027. See rent schedule for more information
- **ABSOLUTE NNN** – This lease offers zero landlord responsibilities ideal for an investor looking for an extremely passive and secure investment
- **INVESTMENT GRADE CREDIT TENANT** – Rent is guaranteed by Walgreens Corporate, a Fortune 500 company boasting an S&P credit rating of BBB and a ±\$31 billion market cap
- **PANDEMIC PROOF / ESSENTIAL RETAILER** – Walgreens continues to prove its resilience through the Covid-19 Pandemic and economic downturn



FINANCIAL OVERVIEW



\$4,950,000

LIST PRICE



6.00%

CAP RATE



\$297,000

RENT

PROPERTY SUMMARY

Property Address	12050 N Dove Mountain Blvd Marana, AZ 12738
County	Pima County
GLA	±14,802 SF
Lot	±1.34 AC
Year Built	2008
APN	218-55-5730
Parking Spaces	±78

FINANCIAL OVERVIEW

12050

LEASE SUMMARY

Tenant	Walgreens
Store Number	#9952
Type of Ownership	Fee Simple
Lease Guarantor	Corporate
Lease Type	NNN
Roof and Structure	Tenant's Responsibility
Original Lease Term	25 Years
Lease Commencement Date	12/1/2007
Lease Expiration Date	11/30/2032
Term Remaining	±9.8 Years
Increases	See Rent Schedule
Options	Ten (10), 5-Year Options

ANNUALIZED OPERATING DATA

LEASE YEARS	DATES	ANNUAL RENT	MONTHLY RENT	PERCENT INCREASE
Years 1-10	12/1/2007 - 11/30/2017	\$287,000.04	\$23,916.67	-
Years 11-20	12/1/2017 - 11/30/2027	\$297,000.00	\$24,750.00	3.48%
Years 21-30	12/1/2027 - 11/30/2037	\$308,000.04	\$25,666.67	3.70%
Years 31-40	12/1/2037 - 11/30/2047	\$320,100.00	\$26,675.00	3.93%
Years 41-50	12/1/2047 - 11/30/2057	\$333,408.00	\$27,784.00	4.16%
Years 51-60	12/1/2057 - 11/30/2067	\$348,051.00	\$29,004.25	4.39%
Years 61-70	12/1/2067 - 11/30/2077	\$364,156.08	\$30,346.34	4.63%
Years 71 -75	12/1/2077 - 11/30/2082	\$381,871.68	\$31,822.64	4.86%

FOR FINANCING OPTIONS REACH OUT TO:

PATRICK FLANAGAN
patrick.flanagan@matthews.com
(214) 550-0277



frut's Firestone CIRCLE K
Auto Zone ANYTIME FITNESS
Get to a healthier place. DQ
verizon McDonald's UPS

ENCANTADA DOVE MOUNTAIN
± 272 UNITS

LEGACY APARTMENTS AT DOVE MOUNTAIN
± 168 UNITS

BRIA
DENTAL
AREA 73 ART GALLERY
ECOLOGIC ABSTRACTS
blonde

LA SONORA
AT DOVE MOUNTAIN

TUCSON WINGS DOVE MOUNTAIN
Vero Amore
AUTHENTIC NEAPOLITAN PIZZA

WELLS FARGO

Cotton Blossom
SHOP • DONATE • VOLUNTEER
MHIC Healthcare
Quality healthcare with a heart

SUBJECT PROPERTY

Dove Mountain
Veterinary

Speedway





DOVE MOUNTAIN PARK

N DOVE MOUNTAIN BLVD ± 9,000 VPD

W TANGERINE RD ± 11,000 VPD

TENANT OVERVIEW



COMPANY NAME

Walgreens

OWNERSHIP

Public

YEAR FOUNDED

1901

INDUSTRY

Drug Store

HEADQUARTERS

Deerfield, IL

NO. OF EMPLOYEES

±315,000

Walgreens

TENANT OVERVIEW

Walgreen Company is an American company that operates the second-largest pharmacy store chain in the United States behind CVS Health. It specializes in filling prescriptions, health and wellness products, health information, and photo services. It was founded in Chicago, Illinois, in 1901, and is headquartered in the Chicago suburb of Deerfield, Illinois. On December 31, 2014, Walgreens and Switzerland-based Alliance Boots merged to form a new holding company, Walgreens Boots Alliance Inc.-an integrated pharmacy, healthcare and retail leader serving millions of customers and patients every day, with a 170-year heritage of caring for communities. Walgreens became a subsidiary of the new company, which retained its Deerfield headquarters and trades on the Nasdaq under the symbol WBA. WBA has more than 315,000 team members and a presence in nine countries through its portfolio of consumer brands: Walgreens, Boots, Duane Reade, the No7 Beauty Company, Benavides in Mexico and Ahumada in Chile. Walgreens provides solutions for payers and health systems, resources for healthcare professionals, and has a Walgreens center for health & wellbeing research.

WALGREENS HEALTH FOCUS

Walgreens' overall value proposition differentiates it from competitors in valuable ways. Specifically, a focus on health gives Walgreens a competitive advantage over other pharmacies. By putting health at the forefront of all aspect of the business and reducing customers' shopping time, Walgreens has achieved placement in a league of its own as competition aims their focus on things such as convenience, design, or low prices.

AREA OVERVIEW



MARANA, AZ

Marana is a town in Pima County, Arizona, and is located northwest of Tucson. Marana is the fastest-growing city in southern Arizona. The town of Marana, which is about 120 square miles in size and is situated around 25 miles north of Tucson's downtown and 85 miles south of Phoenix, has 20 miles of I-10 frontage. This places Marana in a great position to benefit from the rise of the metropolitan areas of Tucson and Phoenix. Marana is known for its beautiful desert setting with many recreational opportunities. The mild weather allows residents and visitors to explore the many outdoor activities from hiking, cycling, golf, and more.

DEMOGRAPHICS

POPULATION	1 MILE	3 MILE	5 MILE
2027 Projection	4,815	16,853	63,184
2023 Estimate	4,213	14,822	57,519
2010 Census	2,225	8,310	44,686
Growth: 2023-2027	2.9%	2.7%	2.0%
Growth: 2010-2023	7.4%	6.5%	2.4%
HOUSEHOLD	1 MILE	3 MILE	5 MILE
2027 Projection	2,009	6,862	24,319
2023 Estimate	1,754	6,022	22,093
2010 Census	906	3,310	16,948
Growth: 2023-2027	2.9%	2.8%	2.0%
Growth: 2010-2023	6.8%	6.0%	2.3%
INCOME	1 MILE	3 MILE	5 MILE
Avg Household Income	\$110,920	\$111,236	\$105,490



ECONOMY

There are 62 industries in Marana including aerospace, mining, advanced manufacturing, technology, distribution, retail, construction, health care, and more. The median household income in 2022 was \$89,860, higher than the national average.

ECONOMIC DEVELOPMENT

The focal point of Marana's new facilities will be a brand-new Community Center measuring more than 50,000 square feet. In addition to providing alternatives for several diverse community purposes, this new center, which is scheduled to open sometime in the next two to three years, will offer opportunities for both active and passive recreational activities.

POINTS OF INTEREST

The numerous picturesque features in Marana draw tourists from all over the world. The Wild Burro Trail is one of the many miles of hiking routes that can be found in the stunning Tortolita Mountains. The Ritz-Carlton, Dove Mountain, one of the best resorts in the world, is also located in the Tortolita Mountains. A popular destination for birders is the El Rio Preserve, which is located on the west side of Marana in the shade of the Tucson Mountains. The Arizona-Sonora Desert Museum and Old Tucson are close by, while the West Area of Saguaro National Park, with its vast cactus forests, borders the Town. The five acclaimed golf courses in Marana are a lot of fun for players.

RITZ CARLTON DOVE MOUNTAIN

The Ritz-Carlton, Dove Mountain near Tucson, Arizona, is surrounded by the gorges of the Tortolita Mountains and offers a sense of adventure and genuine leisure. Visitors to the resort can enjoy a variety of experiences, including the 27 championship holes at the Golf Club of Dove Mountain, holistic treatments using gemstones in a luxury spa, 26 miles of hiking trails, and a sizable pool complex.

TORTOLITA MOUNTAINS

Hiking paths, Native American petroglyphs, ruins, and a variety of cactus species, including saguaro, cholla, prickly pear, and pincushion, may all be found in the Tortolita Mountains, which surround the town of Marana. The mountains are situated inside the more than 3,100 acres of protected territory that make up Tortolita Mountain Park.

EL RIO PRESERVE

The El Rio Preserve, a 104-acre patch of land in the upper Tucson Mountains, has a lengthy history of being put to many different uses. Now, it serves as a basin to collect runoff from the nearby mountains and overflow from the Santa Cruz River. There are around 200 species of migratory and nesting birds in the beautiful riparian habitat, which is also a well-liked disc golf course.



TUCSON, AZ

Located along the banks of the Santa Cruz River, Tucson is the second-largest populated city in Arizona behind Phoenix. The population continues to grow at a steady rate each year. The city is situated in the Sonoran Desert, surrounded by multiple mountain ranges including Wasson Peak, Santa Catalina Mountains, Rincon Mountains and the Santa Rita Mountains. While Tucson is a premier vacation destination, it is also a prime place to live and work. With an average of 350 sunny days per year, the city attracts people from all over the United States.

Tucson is located in Pima County. The majority of the population in Pima lives in or around Tucson. Pima County is also designated as the Tucson Metropolitan Statistical Area. In the past year, the unemployment rate in the Tucson MSA has continued to drop with the average household income being \$56,721.

ECONOMY

The University of Arizona is the largest employer in Tucson and most of the city's economic development has been centered around the development of this school. The campus provides many jobs for those who reside in Tucson. The development of high-tech industries has increased due to the presence of U of A.

Tourism is another huge industry aside from the university as it alone brings in \$2 billion per year and over 3.5 million visitors due to the sunny weather (an average of 350 sunny days per year), resorts, and attractions.



TUCSON POINTS OF INTEREST



DAVIS-MONTHAN AIR FORCE BASE

This non-government funded aerospace museum takes over 127 acres displaying nearly 300 aircrafts. Located next to the Davis-Monthan Air Force Base, the museum started as a place to store historic aircrafts that were used in World War II. From there the display became more and more known and is now a popular historic spot.



OLD TUCSON STUDIOS

This old west town was the location for over 300 movies and TV show. The site is now used to offer educational programs about the culture in Sonora during 1850-1912 as well as historic tours, shows and special events. Old Tucson Studios is a prime location for a Western experience.



REID PARK ZOO

The Reid Park Zoo's mission is "to encourage commitment to the conservation of biological diversity and to provide educational and fun experiences for visitors of all ages." The accredited zoo is a 24-acre facility that houses hundreds on animals. In order to be accredited, they go through a thorough investigation to ensure they meet the standards of animal care.



ARIZONA-SONORA DESERT MUSEUM

The mission of the museum is to inspire those who visit to live in harmony with nature. The Arizona-Sonora Desert Museum was coined as one of the Top 10 Museums in the country and the #1 Tucson attraction by TripAdvisor. The museum spans over 98 acres and is a fusion of a zoo, botanical garden, art gallery, natural history museum, and aquarium.



KITT PEAK NATIONAL OBSERVATORY

Kitt Peak is home to the largest array of optical and radio telescopes in the entire world. While the center is used as a research facility, it is open to the public. They offer tours, stargazing, programs and exhibits with activities both at night and during the day.



SAN XAVIER DEL BAC

This church is a National Historic Landmark. It is the oldest intact European structure in Arizona. There are museum hours but the church still retains its original purpose of religion. Parts of the church were damaged in an earthquake in 1887 but have since been restored.

UNIVERSITY OF ARIZONA (U OF A)

←105 SECTION 106→

Founded in 1885, the University of Arizona (U of A) was the first university in Arizona. Since then, the school has become a well-known name, both nationally and internationally. Along with undergraduate programs, the university is affiliated with the region's two medical centers, as well as, the James E. Rogers College of Law. Their graduate program is also nationally ranked. Internationally, they were ranked 68th in the Center for World University Rankings. U of A is the only elected members of the Association of American Universities from the state of Arizona.

The university accepts over 43,000 students each academic year, with over 34,000 being undergraduate students. The campus stretches across 380 acres with a total of 179 buildings on the main campus. U of A does not just rank academically, the U of A Wildcats have been Division 1 champions in football, baseball, softball, golf, and basketball. Their well-known motto, "Bear Down, Arizona," has become a staple for the school as a whole.



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