

SINGLE TENANT ABSOLUTE NNN

Investment Opportunity

Walgreens

W/ Drive-Thru Pharmacy
(NASDAQ: WBA | S&P: BBB-)

Brand New 15-Year Lease | Corporate Guaranteed (S&P: BBB-) | Retail Corridor



3434 W. Southern Avenue

PHOENIX ARIZONA

ACTUAL SITE





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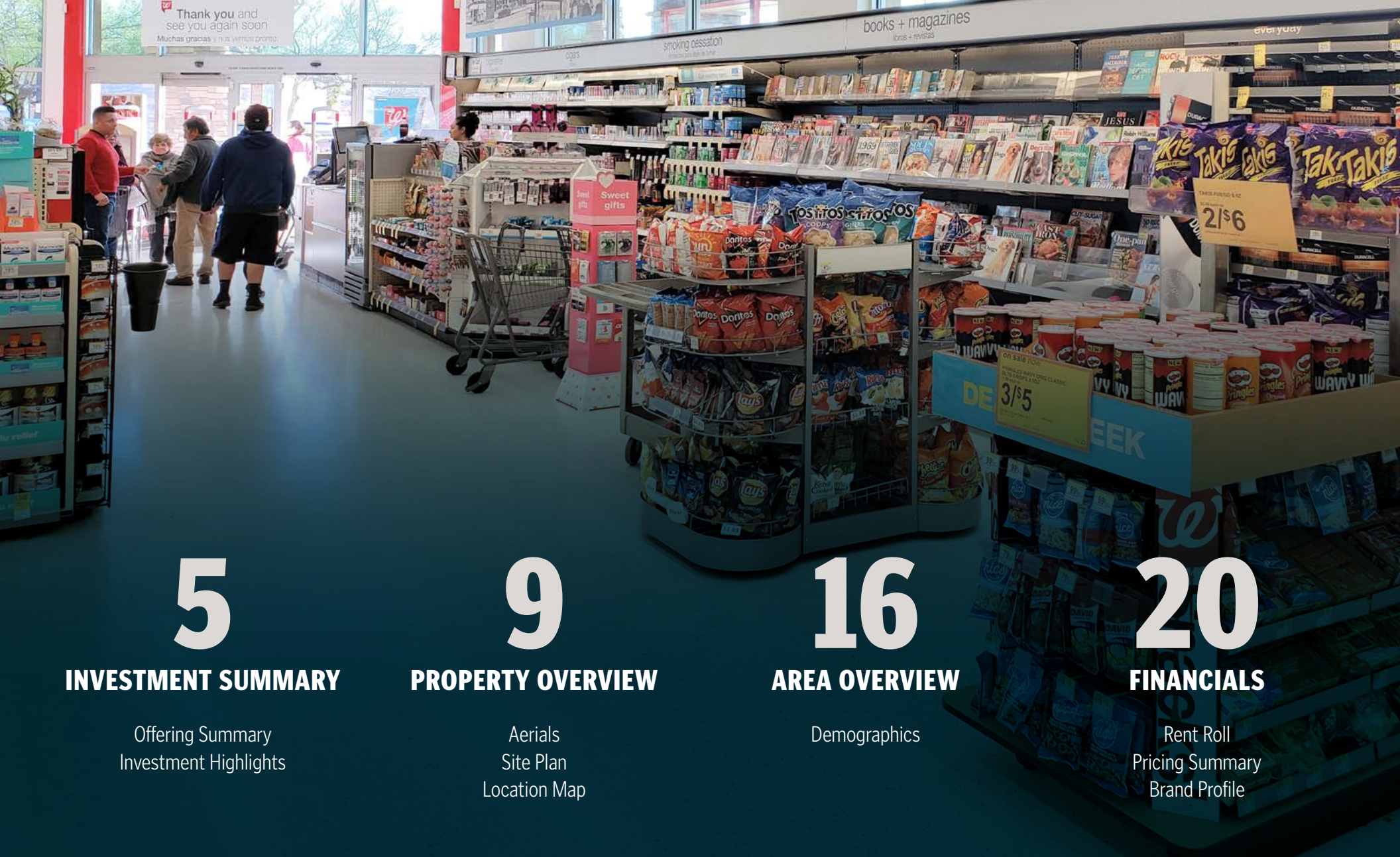
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PROPERTY PHOTO





SRS Real Estate Partners-West, LLC is pleased to offer the opportunity to acquire the fee simple interest (land & building ownership) in an absolute NNN leased, corporate guaranteed (NASDAQ: WBA), Walgreens investment property located in Phoenix, Arizona. The tenant, Walgreen Co., recently signed a brand new 15 year lease with 12 (5-year) options to extend, demonstrating their commitment to the site. The lease features 5% rental increases every 5 years throughout the initial term and at the beginning of each option period, steadily growing NOI and hedging against inflation. Founded in 1901, and representing one of the largest pharmacies in America with over 9,000 retail locations, Walgreens is a pharmaceutical and health destination serving nearly 10 million customers each day. The lease is absolute NNN with zero landlord responsibilities making it an ideal, management free investment opportunity for a passive investor.

The asset is strategically located at the signalized, hard corner intersection of West Southern Avenue and South 35th Avenue with a combined 65,400 vehicles passing daily. The intersection features three large retail centers making this the centralized retail destination for its immediate trade area and the surrounding area of Phoenix. The asset is an outparcel to the Laveen Pavilions Retail Center featuring national brands such as Dollar Tree and Taco Bell. The remainder of the intersection is comprised of the South Mountain Crossing Shopping Center featuring a Planet Fitness, Goodwill, McDonald's, and Filiberto's, and the Laveen Village Shopping Mall, anchored by a Walmart Supercenter with outparcel retailers Starbucks and Jack in the Box. The 5-mile trade area is comprised of a population of over 213,000 residents and 104,000 employees with an average household income of \$89,116. Phoenix in its entirety supports a population of nearly 1.7 million, making it the largest city in Arizona.

PROPERTY PHOTOS



OFFERING SUMMARY



OFFERING

Price	\$5,434,000
Net Operating Income	\$326,040
Cap Rate	6.00%
Guaranty	Corporate (S&P: BBB- NASDAQ: WBA)
Tenant	Walgreen Corporation
Lease Type	Absolute NNN
Landlord Responsibilities	None
Sales Reporting	Yes

PROPERTY SPECIFICATIONS

Rentable Area	14,821 SF
Land Area	1.54 Acres
Property Address	3434 W. Southern Avenue Phoenix, Arizona 85041
Year Built	2007
Parcel Number	105-68-530
Ownership	Fee Simple (Land & Building Ownership)

INVESTMENT HIGHLIGHTS



Brand New 15-Year Lease | Corporate Guaranteed | Strong Operator

- Walgreen Corporate guaranteed lease
- 15 years remaining with 12 (5-year) options periods to extend
- Features 5% rental increases every 5 years throughout the initial term and at the beginning of each option period, growing NOI and hedging against inflation
- Investment grade (S&P: BBB-), nationally recognized pharmaceutical store
- Revenue exceeding 139 billion in 2023

Absolute NNN | Fee Simple Ownership | Zero Landlord Responsibilities

- Tenant pays for CAM, taxes, insurance and maintains all aspects of the premises
- No landlord responsibilities
- Ideal, management-free investment for a passive investor

Signalized, Hard Corner Intersection | Dense Retail Corridor

- The property is located at a four-corner intersection featuring three major retail centers
- Walgreens is an outparcel to the Laveen Pavilions Retail Center featuring national brands such as Dollar Tree and Taco Bell
- The adjacent South Mountain Crossing Shopping Center features a Planet Fitness, Goodwill, McDonald's, and Filiberto's
- The adjacent Laveen Village Mall is anchored by a Walmart Supercenter

Strong Demographics In 5-mile Trade Area

- More than 213,000 residents and 104,000 employees support the trade area
- \$89,116 average household income



PROPERTY OVERVIEW



LOCATION



Phoenix, Arizona
Maricopa County
Phoenix MSA

ACCESS



W. Southern Avenue: 1 Access Point(s)
S. 35th Avenue: 1 Access Point(s)

TRAFFIC COUNTS



W. Southern Avenue: 34,700 VPD
S. 35th Avenue: 30,700 VPD
Ed Pastor Freeway/State Highway 202 & 202L:
47,400 VPD

IMPROVEMENTS



There is approximately 14,821 SF of existing building area

PARKING



There are approximately 59 parking spaces on the owned parcel.
The parking ratio is approximately 3.98 stalls per 1,000 SF of leasable area.

PARCEL



Parcel Number: 105-68-530
Acres: 1.54
Square Feet: 67,126

CONSTRUCTION



Year Built: 2007

ZONING



C-1 Neighborhood Commercial



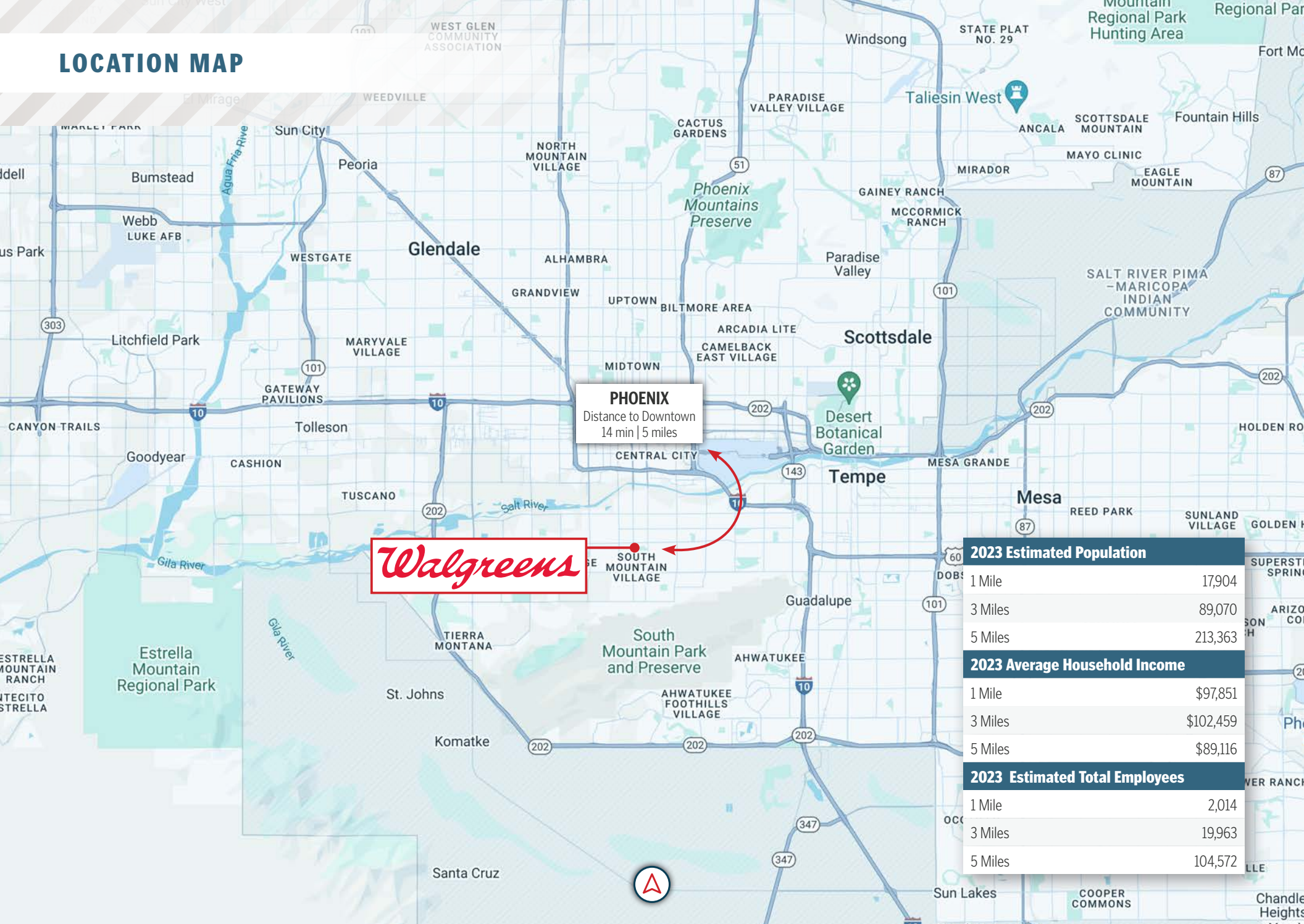








LOCATION MAP





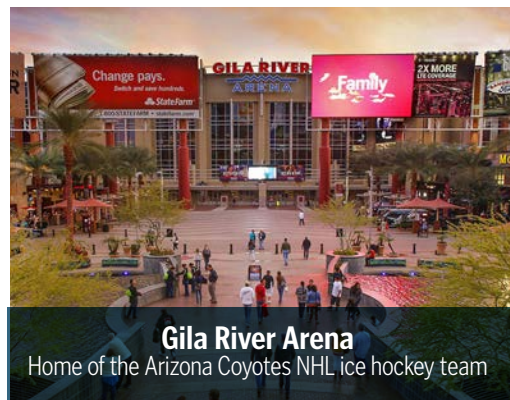
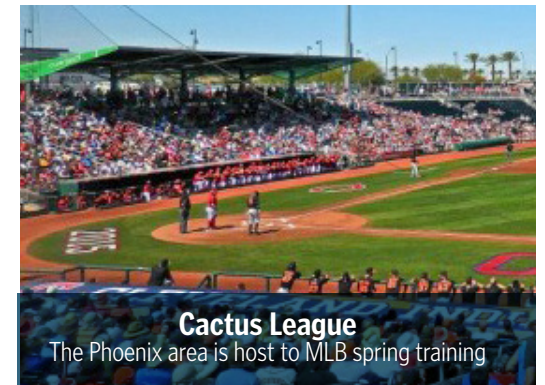
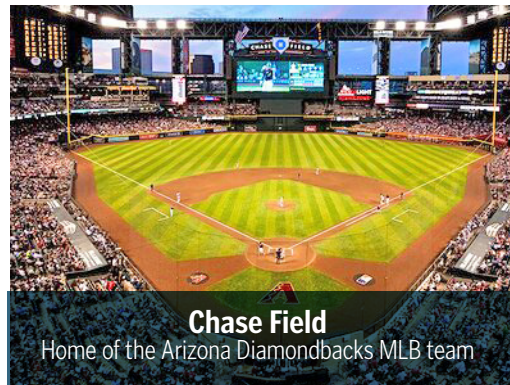
PHOENIX, ARIZONA

Phoenix, the capital of Arizona and seat of Maricopa County, is the largest city in the state. It is located in the center of Arizona, on the Salt River. The City of Phoenix is the largest city in Arizona with a population of 1,649,963 as of July 1, 2023. The city takes up more than 500 square miles, geographically exceeding Los Angeles.

Phoenix is home to Arizona State University and numerous high-tech and telecommunications companies that have recently relocated to the area. Due to the warm climate in winter, Phoenix also benefits greatly from seasonal tourism and recreation, especially in the golfing industry. The military has a significant presence in Phoenix with Luke Air Force Base located in the western suburbs. Foreign governments have established 30 consular offices and eleven active foreign chambers of commerce and trade associations in the city as well. Located in Downtown Phoenix, Scottsdale and other surrounding areas are a large array of cultural activities, including the Phoenix Symphony Hall, Phoenix Art Museum, and Center for Creative Photography, Heard Museum and the Pueblo Grande Museum and Cultural Park. Phoenix is a commercial and manufacturing center in an agricultural region. Major industries include government, agricultural products, aerospace technology, electronics, air-conditioning, leather goods, and Indian arts and crafts. Mining, timbering, and tourism also contribute to the economy.

Phoenix is currently home to four Fortune 500 companies: electronics corporation Avnet, mining company Freeport-McMoRan, retailer PetSmart, and waste hauler Republic Services. Honeywell's Aerospace division is headquartered in Phoenix, and the valley hosts many of their avionics and mechanical facilities. Intel has one of their largest sites in the area, employing about 12,000 employees, the second largest Intel location in the country. The city is also home to: the headquarters of U-HAUL International; Best Western; and Apollo Group, parent of the University of Phoenix.

AREA OVERVIEW





Major Employers:	
Company	Employees
State of Arizona	37,655
Banner Health	36,213
Wal-Mart Stores Inc.	33,814
Wells Fargo	15,062
City of Phoenix	13,894
Arizona State University	13,480
Raytheon Missile Systems	12,000
HonorHealth	11,308
Dignity Health Arizona	11,206

Inc. 2018 Ranked #1 in the Country for
**BEST PLACE TO
 START A BUSINESS**



MSA Home to 4,948,203

Growth of 17.81% since 2010

2019 GDP (MARICOPA COUNTY):
\$19,900,834



MEDIAN HOME COST
\$269,175



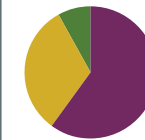
INDUSTRIAL MARKET VACANCY RATE
7.9%



INDUSTRIAL MARKET INVENTORY
362M SF



6TH MOST POPULOUS CITY IN THE US
1,703,080 RESIDENTS



Population by age
32% 0-19
60% 20-64
08% 65+



Optimal Location for Distribution to Significant Markets

including California and Mexico

AREA DEMOGRAPHICS



	1 Mile	3 Miles	5 Miles
Population			
2023 Estimated Population	17,904	89,070	213,363
2028 Projected Population	18,139	94,775	226,305
2010 Census Population	13,331	69,455	175,738
Projected Annual Growth 2023 to 2028	0.26%	1.25%	1.18%
Historical Annual Growth 2010 to 2020	2.55%	2.06%	1.28%
Households & Growth			
2023 Estimated Households	4,820	23,593	59,950
2028 Projected Households	4,935	25,369	64,341
2010 Census Households	3,602	17,909	47,011
Projected Annual Growth 2023 to 2028	0.47%	1.46%	1.42%
Historical Annual Growth 2010 to 2020	2.42%	2.22%	1.65%
Race & Ethnicity			
2023 Estimated White	33.81%	39.71%	41.67%
2023 Estimated Black or African American	17.54%	18.21%	14.87%
2023 Estimated Asian or Pacific Islander	4.23%	4.12%	2.79%
2022 Estimated American Indian or Native Alaskan	3.59%	3.11%	3.01%
2023 Estimated Other Races	31.17%	27.02%	31.96%
2023 Estimated Hispanic	60.68%	55.43%	63.33%
Income			
2023 Estimated Average Household Income	\$97,851	\$102,459	\$89,116
2023 Estimated Median Household Income	\$79,199	\$81,119	\$65,969
2023 Estimated Per Capita Income	\$26,410	\$27,498	\$25,480
Businesses & Employees			
2023 Estimated Total Businesses	164	1,082	4,661
2023 Estimated Total Employees	2,014	19,963	104,572



RENT ROLL



LEASE TERM						RENTAL RATES					
Tenant Name	Square Feet	Lease Start	Lease End	Begin	Increase	Monthly	PSF	Annually	PSF	Recovery Type	Options
Walgreen Co.	14,821	11/21/2023	11/30/2038	Current	-	\$27,170	\$1.83	\$326,040	\$22.00	Absolute NNN	12 (5-Year)
(Corporate Guarantee)				Year 6-10	5%	\$28,528	\$1.92	\$342,342	\$23.10	5% Increase at Beg. of Each Option	
				Year 11-15	5%	\$29,955	\$2.02	\$359,459	\$24.25		

1. Tenant has a 20 day Right of First Refusal.

FINANCIAL INFORMATION

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Lease Type	Absolute NNN

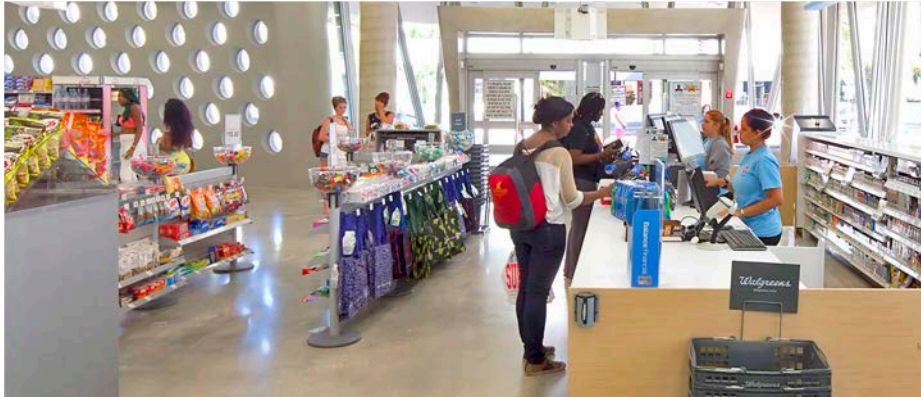
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FOR FINANCING OPTIONS AND LOAN QUOTES:

Please contact our SRS Debt & Equity team at debtequity-npb@srsre.com



WALGREENS

walgreens.com

Company Type: Subsidiary

Locations: 9,000+

Parent: Walgreens Boots Alliance

2023 Employees: 330,000

2023 Revenue: \$139.08 Billion

2023 Assets: \$96.63 Billion

2023 Equity: \$20.02 Billion

Credit Rating: S&P: BBB-

Walgreens (www.walgreens.com) is included in the U.S. Retail Pharmacy and U.S. Healthcare segments of Walgreens Boots Alliance, Inc. (Nasdaq: WBA), an integrated healthcare, pharmacy and retail leader with a 170-year heritage of caring for communities. WBA's purpose is to create more joyful lives through better health. Operating over 9,000 retail locations across America, Puerto Rico and the U.S. Virgin Islands, Walgreens is proud to be a neighborhood health destination serving nearly 10 million customers each day. Walgreens pharmacists play a critical role in the U.S. healthcare system by providing a wide range of pharmacy and healthcare services, including those that drive equitable access to care for the nation's underserved populations. To best meet the needs of customers and patients, Walgreens offers a true omnichannel experience, with fully integrated physical and digital platforms supported by the latest technology to deliver high-quality products and services in communities nationwide.

Source: news.walgreens.com & finance.yahoo.com



THE EXCLUSIVE NATIONAL NET LEASE TEAM

of SRS Real Estate Partners-West, LLC

300+

TEAM
MEMBERS

25+

OFFICES

2.3K+

RETAIL
TRANSACTIONS

company-wide
in 2022

740+

CAPITAL MARKETS
PROPERTIES

SOLD
in 2022

\$3.3B+

CAPITAL MARKETS
TRANSACTION

VALUE
in 2022

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