

MEMPHIS MSA INVESTMENT OFFERING

Walgreens

1359 POPLAR AVENUE | MEMPHIS, TN 38104



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Offering Summary

LIST PRICE	\$4,762,369
CAP RATE	6.75%
PRICE PER SF	\$316.47
LEASE TERM REMAINING	8 Years
OPTIONS	Ten (5-year) Options
LEASE TYPE	Absolute Net, no landlord responsibilities
ANNUAL RENT (NOI)	\$321,459.96
MONTHLY RENT	\$26,788.33
BUILDING SIZE (SF)	±15,048
LOT SIZE (SF)	±101,930
YEAR BUILT	2000
PARCEL NUMBER	01-7018-0-0001C

Investment Highlights

STABLE INCOME

Income guaranteed by Walgreens parent corporate (S&P BBB) investment grade Fortune 500 Company with approximately 9,500 locations.

ABSOLUTE NET LEASE

The lease has eight years of primary term remaining with ten (5-year) options to follow. This is an absolute net lease with no landlord responsibilities whatsoever.

TOP MEDICAL CORRIDOR IN MEMPHIS, TN

The subject property is located just blocks from the Medical District of Memphis. There are four major hospitals totalling approximately 6.5 million square feet of medical space within a three mile radius of the subject property:

- St. Jude Children's Research Hospital - 76 beds, ±3,600 employees
- Le Bonheur Children's Hospital - 255 beds, ±2,900 employees
- Regional One Health Medical Center - 326 beds, ±3,800 employees
- Memphis VA Medical Center - 244 beds, ±2,500 employees

THREE BLOCKS FROM CROSSTOWN CONCOURSE COMPLEX

The 1,500,000 square foot former Sears mail-order processing warehouse was placed on the National Register of Historic Places in 2013 and renovated into a mixed-use office and retail development with its grand opening held on August of 2017. It includes a YMCA, medical offices, bars and restaurants and various other community and commercial organizations.

INFILL MEMPHIS MSA LOCATION

The subject property is located 2.5 miles outside of downtown Memphis and is part of the Memphis Metropolitan Statistical Area (MSA). This MSA includes a population of over 1,340,000 residents. The average household income is \$47,908 and total population is 214,869 in a five-mile radius.

ACROSS THE STREET FROM A KROGER ANCHORED CENTER

The subject property is located across the street from a Kroger shopping center and is adjacent to a McDonald's. Other national retail tenants in the immediate area include Home Depot, Planet Fitness, Burger King, Advance Auto Parts, Regions Bank, Family Dollar, O'Reilly Auto Park and Auto Zone.

TRAFFIC COUNTS

The property is located at the signalized corner of Poplar Avenue and North Cleveland Street with a combined traffic count of 31,715 vehicles per day. Interstate 69 is located approximately three blocks west of the subject property with approximately 124,706 vehicles per day.

Lease Summary

ADDRESS 1359 Poplar Avenue
Memphis, TN 38104

TENANT Walgreens

LEASE COMMENCEMENT July 30, 2002

LEASE EXPIRATION July 31, 2027

TERM REMAINING 8 Years

LEASE TYPE Absolute Net Lease

ANNUAL RENT \$321,459.96

MONTHLY RENT \$26,788.33

RENT PER SQUARE FOOT \$21.36

OPTIONS Ten (5-year) Options

LANDLORD RESPONSIBILITIES None



Building Photos



Location Aerial



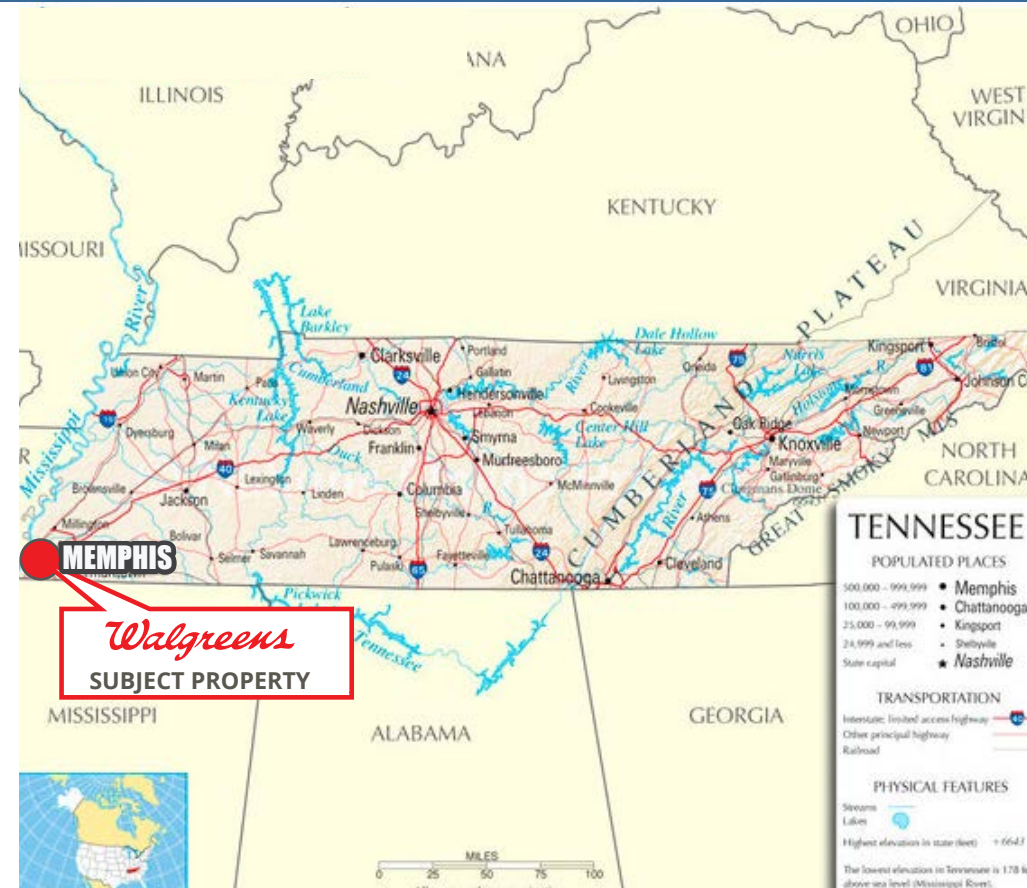
Location Overview and Demographics

Memphis is located in the southwest corner of Tennessee and is the county seat of Shelby County, the core county of the Memphis MSA. Memphis is the largest city in Tennessee and the 23rd largest city in America.

Memphis is known as "America's Distribution Center," serving the northeast, southeast, and southwest regions of the country. The city has one of the country's largest inland ports and is the national headquarters for the FedEx air-courier company.

Health care and related sectors, such as medical education and biomedical research, are Memphis's largest industries, bringing over \$5 Billion a year to the local economy.

- **MEMPHIS INTERNATIONAL AIRPORT** - The Memphis International Airport is a civil-military airport, is home to the FedEx Express global hub and remains the busiest cargo airport in the United States. It also had a count of over 4 million passengers in 2016.
- **FEDEX HEADQUARTERS** - Memphis is the home of FedEx Headquarters and has approximately 425,000 employees worldwide, boasting a revenue of approximately \$450 Billion.
- **UNIVERSITY OF MEMPHIS** - The University of Memphis campus is only 5 miles from the subject property and has approximately 21,000 students enrolled and over 2,800 employees.



Total Population

1 MILE	17,293
3 MILES	108,125
5 MILES	214,869



Average Household Income

1 MILE	\$57,151
3 MILES	\$52,688
5 MILES	\$47,908



Total Households

1 MILE	8,657
3 MILES	46,889
5 MILES	88,683



Average Age

1 MILE	39.90
3 MILES	37.80
5 MILES	37.10



Traffic Counts Vehicles/Day

POPLAR AVE	25,491
CLEVELAND	6,224
I-69	124,706

Disclaimer: This information has been secured from sources we believe to be reliable, but we make no representations or warranties, expressed or implied, as to the accuracy of the information. References to square footage, age, distances, lot size, store opening dates, demographic information, aerial information, tenant information & store operating information are approximate. By accepting this package, buyer and their representatives must verify the information and bears all risk for any inaccuracies.



Walgreens Company Summary*

Tenant History

Headquartered in Deerfield, IL, Walgreens is the largest drugstore retail chain in the United States with approximately 9,717 stores in all 50 states, including the District of Columbia, Puerto Rico, and the U.S. Virgin Islands.

Walgreens opened its 8,000th store in 2012 in Los Angeles; that same year, they purchased a 45% interest in Alliance Boots, a leading international pharmacy-led health and beauty group. Two years later, Walgreens exercised its option to purchase the remaining 55% of the Switzerland based Alliance Boots to merge and create a new holding company named Walgreens Boots Alliance (NASDAQ: WBA). This transaction brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted healthcare services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years.

On Oct 27, 2015, Walgreens Boots Alliance entered into an agreement to acquire 1,932 stores, 3 distribution centers and related assets from Rite Aid Corporation (NYSE: RAD). After receiving Rite Aid stockholder and regulatory approvals, the acquisition was finalized in March of 2018.

Walgreens is part of the Retail Pharmacy USA division of Walgreens Boots Alliance. The company sells prescription and non-prescription drugs and general merchandise consisting of over 25,000 household products including convenience and fresh foods, personal care, beauty care, photo finishing, as well as home medical equipment, contact lenses, vitamins, supplements and other health and wellness solutions. Walgreens also provides specialty pharmacy services for managing complex and chronic health conditions.

As of 2018, Walgreens employs over 235,000 people worldwide, 78,000 of which are healthcare professionals and fills over 990 million prescriptions annually. Walgreens boasts that 76% of the United States population lives within a five-mile radius of a Walgreens and interacts with over 8 million customers in stores and online on a daily basis.

**Walgreens company information received from Walgreens investor relations.*

Tenant Profile

GUARANTOR	Walgreens Boots Alliance, Inc.
OWNERSHIP	Public
STOCK SYMBOL (NASDAQ)	WBA
CREDIT RATING (S&P)	BBB
BUSINESS	Retail Pharmacy
LOCATIONS	±9,500 (as of March 2018)
ANNUAL REVENUE	\$118.21 billion (2017)
MARKET CAPITALIZATION	\$63.23 billion (2017)
HEADQUARTERS	Deerfield, IL
WEBSITE	www.walgreens.com



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