VIRGINIA INVESTMENT OFFERING

Walgreens
1418 CEDAR ROAD | CHESAPEAKE, VIRGINIA 23322

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### Investment Highlights

**STABLE INCOME**
Rental income guaranteed by Walgreens Corporation with over 8,900 locations.

**ABSOLUTE NET LEASE WITH 12 YEAR TERM REMAINING**
There are approximately twelve years remaining on this absolute net lease with eleven (5-year) options.

**AFFLUENT AREA WITH SOLID INCOMES OF OVER $110,000 IN A ONE-MILE RADIUS**
Surrounded by residential neighborhoods with median household incomes of over $110,000 in a one-mile radius, over $93,000 in a three-mile radius and over $83,000 in a five-mile radius.

**VIRGINIA BEACH-NORFOLK-NEWPORT NEWS, VA-NC MSA**
Chesapeake has a population of nearly 250,000 and is the second-most populous independent city in Virginia. It is part of the Virginia Beach-Norfolk-Newport News, VA-NC metropolitan statistical area with a population of approximately 1,800,000 residents and serves as a suburban location for military families.

**LOCATED ELEVEN MILES SOUTH OF NORFOLK**
The city of Norfolk borders multiple bodies of water and is home to the world's largest naval base, Naval Station Norfolk. This military base includes more than 82,000 active-duty personnel and 39,000 civilians. Norfolk is also home to one of NATO's Strategic Command Headquarters.

**NEXT TO TIDEWATER COMMUNITY COLLEGE**
Tidewater Community College Chesapeake Campus is located one block north of the subject property on Cedar Road and its parking garage is directly behind Walgreens with 1,224 parking spaces available for student parking. This college sits on 69 acres and is part of the Virginia Community College System with an enrollment of 34,000 students across five campuses.

**SENIOR CITIZEN PRESENCE**
Commonwealth Senior Living Manor at Cedar with over 90 units is located one block south of this Walgreens location. Eagle Point 55+ Active Adult Community is located across the street west of the subject property.

**DOLLAR TREE CORPORATE OFFICE IN CHESAPEAKE**
Dollar Tree's corporate office in Chesapeake is approximately seven miles northeast of the subject property with ±1,900 employees on a 1.7 million square foot campus. The American discount variety store has over 15,000 locations throughout the United States.

**STRATEGIC DRUGSTORE LOCATION**
This Walgreens is located on the opposite corner north of a Rite Aid drugstore, making this a strategic location for both Walgreens and Rite Aid.

### Offering Summary

| **ASKING PRICE** | $6,728,972 |
| **CAP RATE** | 5.35% |
| **PRICE PER SF** | $488.88 |
| **LEASE TERM REMAINING** | ±12 Years |
| **OPTIONS** | Eleven (5-Year) Options |
| **LEASE TYPE** | Absolute Net Lease |
| **ANNUAL RENT (NOI)** | $360,000 |
| **MONTHLY RENT** | $30,000 |
| **BUILDING SIZE (SQUARE FEET)** | ±13,764* |
| **LOT SIZE (SQUARE FEET)** | ±85,378* |
| **YEAR BUILT** | 2014 |

*Buyer to confirm building and parcel sizes during due diligence period.
**Lease Summary**

<table>
<thead>
<tr>
<th><strong>ADDRESS</strong></th>
<th>1418 Cedar Road</th>
</tr>
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<tbody>
<tr>
<td></td>
<td>Chesapeake, VA 23322</td>
</tr>
<tr>
<td><strong>TENANT</strong></td>
<td>Walgreens (NYSE: WAG)</td>
</tr>
<tr>
<td><strong>LANDLORD INCOME</strong></td>
<td>Corporate Guarantee</td>
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<tr>
<td><strong>LEASE COMMENCEMENT</strong></td>
<td>October 31, 2014</td>
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<tr>
<td><strong>LEASE TERM EXPIRATION</strong></td>
<td>April 30, 2034</td>
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<tr>
<td><strong>TERM REMAINING</strong></td>
<td>±12 Years</td>
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<tr>
<td><strong>OPTIONS</strong></td>
<td>Eleven (5-Year) Options</td>
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<tr>
<td><strong>MONTHLY RENT</strong></td>
<td>$30,000</td>
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<tr>
<td><strong>RENT PER SQUARE FOOT</strong></td>
<td>$26.16</td>
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<tr>
<td><strong>RENT INCREASES</strong></td>
<td>None</td>
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<tr>
<td><strong>LANDLORD RESPONSIBILITIES</strong></td>
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Building Photos
Building Photos

- Walgreens
- Dollar Tree
- Mattress Firm
- Pediatrix
- Subway
- DQ
- Sonic
- Popeyes
- Instyle Nails
- La Parrilla
- Pediatric Specialists at Grassfield
- Nails
- Pediatric Specialists at Grassfield
- Verizon
- GNC Live Well
- Walgreens

- Season's Condominiums
- Cedar Road Elementary School
- E.G. Oliver Funeral Home
- Rite Aid
- Bayview Physicians Group
- Instyle Nails
- Cedar Road - ±27,000 Vehicles Per Day
- Cedar Road Community College Campus Parking Garage
- Tidewater Community College Campus

Cedar Road - ±27,000 Vehicles Per Day

- 1418 Cedar Road | Chesapeake, VA 23322
- 1979 Chicago Street | San Diego, CA 92110 | 619.297.0055 | www.pharmapropertygroup.com
Location Overview and Demographics

Chesapeake, Virginia is in the southeastern region of the state and has a population of nearly 250,000 residents. It is located in the Virginia Beach-Norfolk-Newport News, VA-NC metropolitan statistical area which totals a population of approximately 1,800,000 residents. Norfolk is located eleven miles from Chesapeake, a straight commute north on Interstate 464.

Dollar Tree Corporate Office - (6.5 miles from the subject) Chesapeake is home to Dollar Tree Headquarters with over 57,000 employees at this office and over 14,700 store locations in the United States and Canada.

Norfolk, Virginia - (11 miles from the subject) The city of Norfolk has an estimated population of 238,000. Norfolk is home to the world’s largest naval base, Naval Station Norfolk with more than 82,000 active-duty personnel and 39,000 civilians. Norfolk is also home to one of NATO’s Strategic Command Headquarters and Maersk Line, Ltd.

<table>
<thead>
<tr>
<th>Mileage</th>
<th>Total Population</th>
<th>Median Household Income</th>
<th>Total Households</th>
<th>Average Age</th>
<th>Traffic Counts Vehicles/Day</th>
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</thead>
<tbody>
<tr>
<td>1 MILE</td>
<td>4,941</td>
<td>$110,793</td>
<td>1,678</td>
<td>38.60</td>
<td>±27,000</td>
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<tr>
<td>3 MILES</td>
<td>50,803</td>
<td>$93,999</td>
<td>17,730</td>
<td>38.10</td>
<td>±17,000</td>
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<td>5 MILES</td>
<td>122,953</td>
<td>$83,227</td>
<td>44,102</td>
<td>38.30</td>
<td>±83,000</td>
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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.
Tenant Profile (As of January 2022)

WEBSITE
https://www.walgreensbootsalliance.com/

LOCATIONS
8,965

STOCK SYMBOL (NASDAQ)
WBA

CREDIT RATING (S&P)
BBB

MARKET CAPITALIZATION
$46.893 Billion

REVENUE (2021)
$132.5 Billion

ASSETS
$81.2 Billion

EMPLOYEES
315,000

Tenant History
Walgreens Boots Alliance, Inc. operates as a pharmacy-led health and wellbeing company. It operates through three segments: Retail Pharmacy USA, Retail Pharmacy International, and Pharmaceutical Wholesale.

The Retail Pharmacy USA segment sells prescription drugs and an assortment of retail products, including health, wellness, beauty, personal care, consumable, and general merchandise products through its retail drugstores and convenient care clinics. It also provides specialty pharmacy services and mail services; and manages in-store clinics.

The Retail Pharmacy International segment sells prescription drugs; and health and wellness, beauty, personal care, and other consumer products through its pharmacy-led health and beauty stores and optical practices, as well as through boots.com and an integrated mobile application. This segment operated 4,031 retail stores under the Boots, Benavides, and Ahumada in the United Kingdom, Thailand, Norway, the Republic of Ireland, the Netherlands, Mexico, and Chile; and 548 optical practices, including 160 on a franchise basis.

The Pharmaceutical Wholesale segment engages in the wholesale and distribution of specialty and generic pharmaceuticals, health and beauty products, and home healthcare supplies and equipment, as well as provides related services to pharmacies and other healthcare providers. This segment operates in the United Kingdom, Germany, France, Turkey, Spain, the Netherlands, Egypt, Norway, Romania, the Czech Republic, and Lithuania.

Walgreens Boots Alliance, Inc. was founded in 1901 and is based in Deerfield, Illinois.

*Source: Yahoo Finance