

Walgreens

SINGLE TENANT ABSOLUTE NNN LEASE INVESTMENT

Walgreens (NASDAQ: WBA) is rated "BBB" by S&P's

340 North Main Street, Kernersville, NC 27284



Colliers
INTERNATIONAL



PROPERTY OVERVIEW

We are pleased to offer to qualified investors an opportunity to purchase an investment grade single tenant absolute NNN leased investment that is fully occupied by Walgreen Co. with 10+ years remaining on the base term and 10 - 5 year option periods Comprised of a 14,820 SF building and situated on a large 1.91 acre lot; the subject property benefits from its close proximity to I-40 Business - the main East/West thoroughfare leading to Greensboro, NC & Winston-Salem, NC - along with the diversified mix of commercial use types that surround the property including retail, industrial, medical, and office.



Strategically located in the center of a region with Winston-Salem, High Point and Greensboro; Kernersville, NC is one of the primary economic development centers in the region. Evidence of this comes with the recent developments of multiple medical centers including the Novant Kernersville Medical Center (2011), VA Kernersville Health Care Center (2011), along with the FedEx Ground Hub (2011), Deere Hitachi expansion (2014), plus the new Caterpillar plant (2011) and Herbalife plant (2014). This is an excellent opportunity to purchase a true investment grade tenant - "BBB" by S&P's, with 10+ years remaining, on an absolute NNN lease providing passive income through zero landlord responsibilities.

PRICING DETAILS

List Price	\$5,915,000
CAP Rate	6.00%
Annual Rent	\$354,996
Taxes	NNN
Insurance	NNN
CAM	NNN

ASSUMABLE LOAN

Loan Amount	\$3,705,000
Term	10 Years
Fixed Interest Rate	4.436%
Maturity Date	December 6, 2024
Earliest Payoff Date	March 6, 2017
Date Defeasance Possible	July 6, 2022
Lender/Service	Goldman Sachs/Wells Fargo
Loan Assumption Fee 1%	\$37,050
Annual Debt Service	\$166,618
Yr 1 Cash-on-Cash	8.52%

LEASE ABSTRACT

Tenant Trade Name	Walgreens
Lease Start	December 25, 2004
Lease Expiration	December 31, 2029
Term Remaining On Lease	10 Years
Base Rent	\$354,996
Rental Adjustments	None
Option Periods	10 - 5 Year Options Flat
Lease Type	NNN Lease
Roof & Structure	Tenant Responsible

PARCEL DETAILS

APN	6886-45-0826
Building Size	14,820 SF
Land Size	Approx. 1.91 Acres



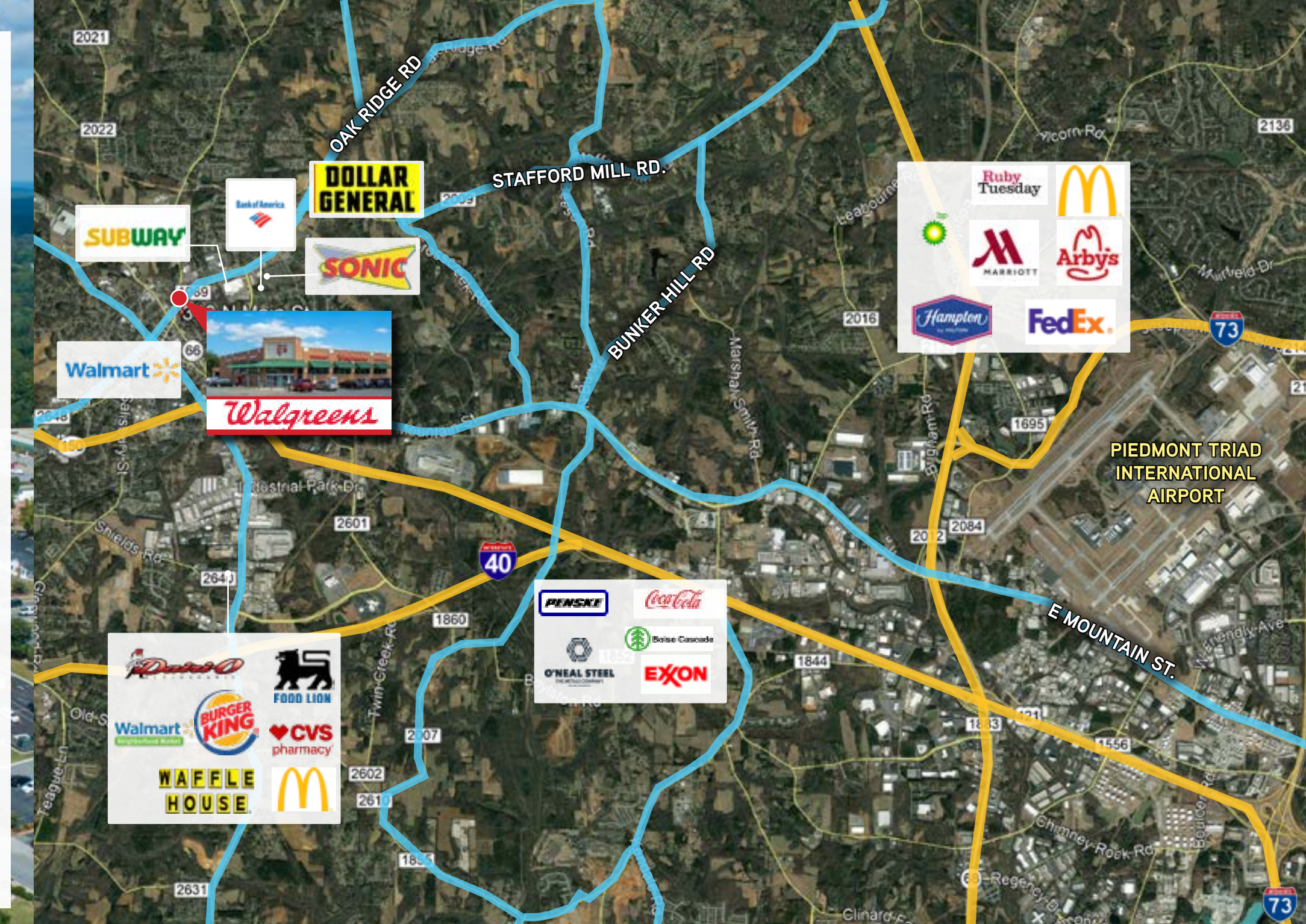
INVESTMENT HIGHLIGHTS

Walgreens (NASDAQ: WBA) is rated "BBB" by S&P's - Investment Grade Credit

- Excellent Yr 1 Cash-on-Cash Return of 8.52%
- 10+ Years Remaining on the Base Term with 10 - 5 Year Option Periods
- Absolute NNN Lease - Zero Landlord Responsibilities - Ideal 1031 Exchange Asset
- Over \$131 Billion in Corporate Revenue - Net Income Over \$5 Billion
- Ranked 17th in Fortune Global 500 - 2nd Largest Pharmacy Store Chain in U.S.
- Nearby National Tenants Include: Food Lion, AutoZone, Sonic Drive-In, O'Reilly Auto Parts, Goodwill, Dollar General, and More

Kernersville, NC - One of the Regions Main Economic Drivers

- Fortune 500 Companies FedEx & Caterpillar with Recent Investments in Kernersville
- Close Proximity to Piedmont Triad International Airport
- 940,000 Passengers Traveled in 2018 - 7% Growth from 2017
- 1,062,000 Passengers Projected for 2019 - 13% Projected Growth from 2018
- Recently Constructed Medical Centers - Novant Kernersville Medical Center & VA Kernersville Health Care Center
- Demographics - Over 59,300 Residents within a 5 Mile Radius
- AHHI Over \$81,300 within a 5 Mile Radius







2nd Largest
Pharmacy Store Chain
in United States



9,560
Walgreens Pharmacies



Walgreens Boots Alliance
Ranked
17th
in Fortune Global 500



Rated
BBB
by S&P
Investment Grade Credit



ABOUT WALGREENS CO.

Walgreen Co. is the second-largest pharmacy store chain in the U.S., operating some 9,560 mostly freestanding Walgreens stores in all 50 US states, the District of Columbia, the Virgin Islands, and Puerto Rico. But it's the brand face of Walgreens Boots Alliance, a company with a worldwide reach. For the US subsidiary, prescription drugs account for about 70% of sales; the rest comes from general merchandise, over-the-counter medications, cosmetics, and groceries. Most Walgreens stores offer drive-through pharmacies and one-hour photo processing. Walgreen acquired the Swiss-based Alliance Boots to form Walgreens Boots Alliance in 2014.



WALGREENS BOOTS ALLIANCE

Walgreens Boots Alliance (Nasdaq: WBA) is the first global pharmacy-led, health and wellbeing enterprise.

- Walgreens Boots Alliance is the largest retail pharmacy, health and daily living destination across the U.S. and Europe.
- Walgreens Boots Alliance and the companies in which it has equity method investments together have a presence in more than 25 countries and employ more than 385,000 people.

Walgreens Boots Alliance, Inc.	
Type	Public
Traded As	NASDAQ: WBA NASDAQ-100 Component
Price	\$57.49
Area Served	Worldwide
Volume	3,569,217
Market Cap	51.91B

As of 9/11/2019





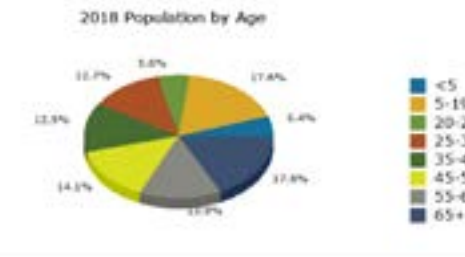
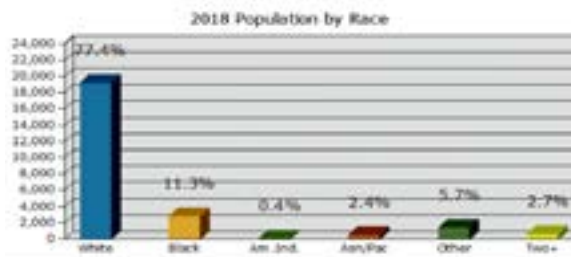
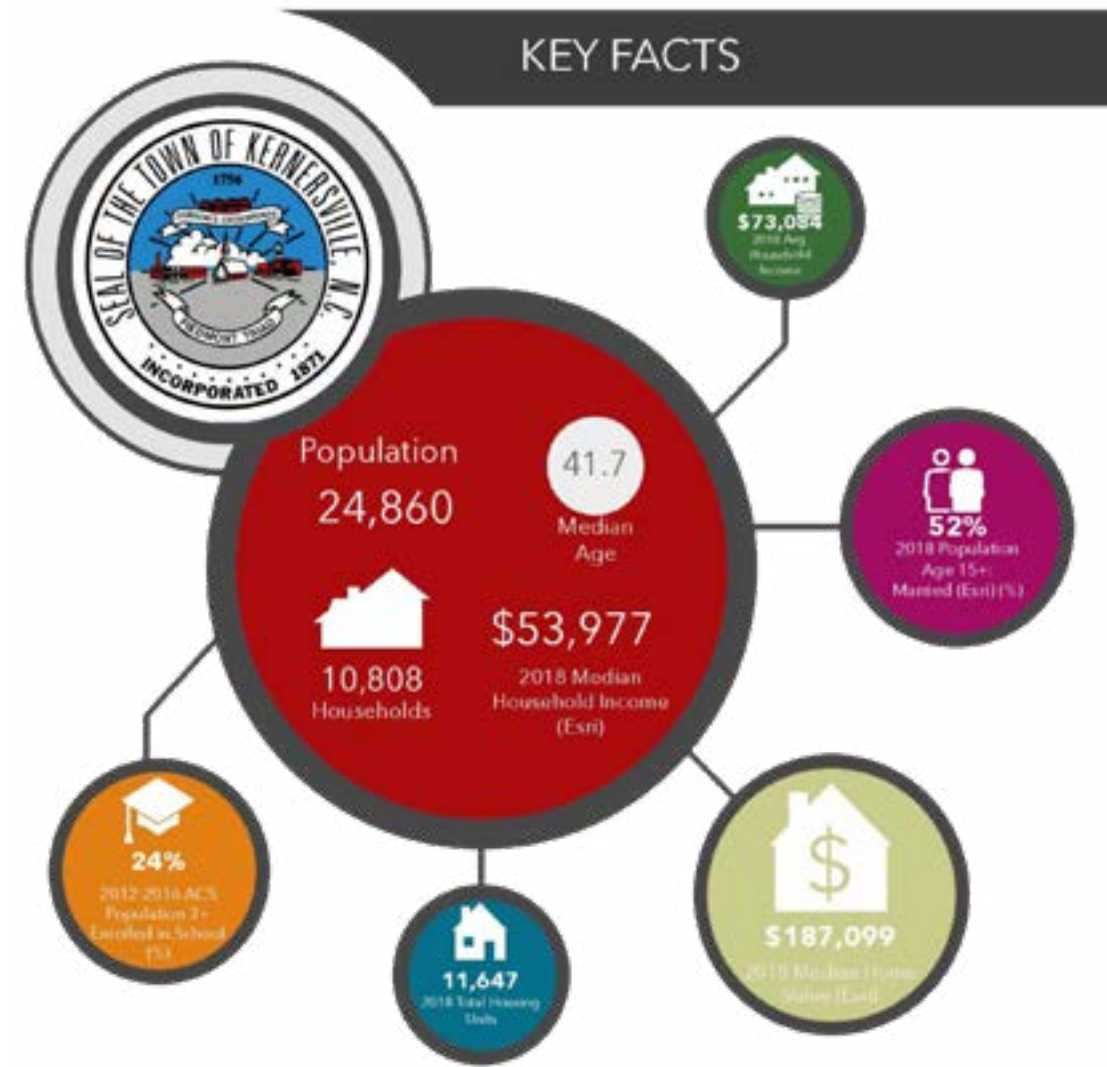
ABOUT Kernersville, NC

In 2017, Kernersville, NC had a population of 24K people with a median age of 41.8 and a median household income of \$50,054. Between 2016 and 2017 the population of Kernersville, NC grew from 23,736 to 23,988, a 1.06% increase and its median household income grew from \$48,383 to \$50,054, a 3.45% increase. The median property value in Kernersville, NC is \$171,500, and the homeownership rate is 55.7%.

Kernersville is located 10 miles east of Winston-Salem and 17 miles west of Greensboro. U.S. Route 421 is a four-lane freeway through the town, following the prior routing of Interstate 40 before that highway was moved to the south. Kernersville is located at the center of the Piedmont Triad metropolitan area, between Greensboro to the east, High Point to the south, and Winston-Salem to the west.

ECONOMY

The economy of Kernersville, NC employs 12.2K people. The largest industries in Kernersville, NC are Health Care & Social Assistance (1,633 people), Retail Trade (1,632 people), and Manufacturing (1,588 people), and the highest paying industries are Transportation & Warehousing (\$54,107), Professional, Scientific, & Technical Services (\$52,354), and Manufacturing (\$50,567).



Business Summary – Area Comparison

Data for all businesses in area	BUSINESS SUMMARY			
	Kernersville	High Point	Winston-Salem	Greensboro
Total Businesses:	1,426	4,202	8,719	12,422
Total Employees:	17,677	60,227	162,250	208,114
Total Residential Population:	24,860	112,580	246,224	288,594
Employee/Residential Population Ratio:	0.71:1	0.53:1	0.65:1	0.72:1

Business Summary – Kernersville

by SIC Codes	Businesses		Employees	
	Number	Percent	Number	Percent
Agriculture & Mining	17	1.2%	77	0.4%
Construction	87	6.1%	927	5.2%
Manufacturing	59	4.1%	2,828	16.0%
Transportation	43	3.0%	1,389	7.9%
Communication	14	1.0%	69	0.4%
Utility	1	0.1%	13	0.1%
Wholesale Trade	71	5.0%	577	3.3%
Retail Trade	338	23.7%	4,111	23.3%
Finance, Insurance, Real Estate	142	10.0%	852	4.8%
Services Summary	561	39.3%	5,780	32.7%
Government	44	3.1%	1,049	5.9%
Unclassified Establishments	49	3.4%	5	0.0%
Totals	1,426	100.0%	17,677	100.0%

Business Establishment Mix

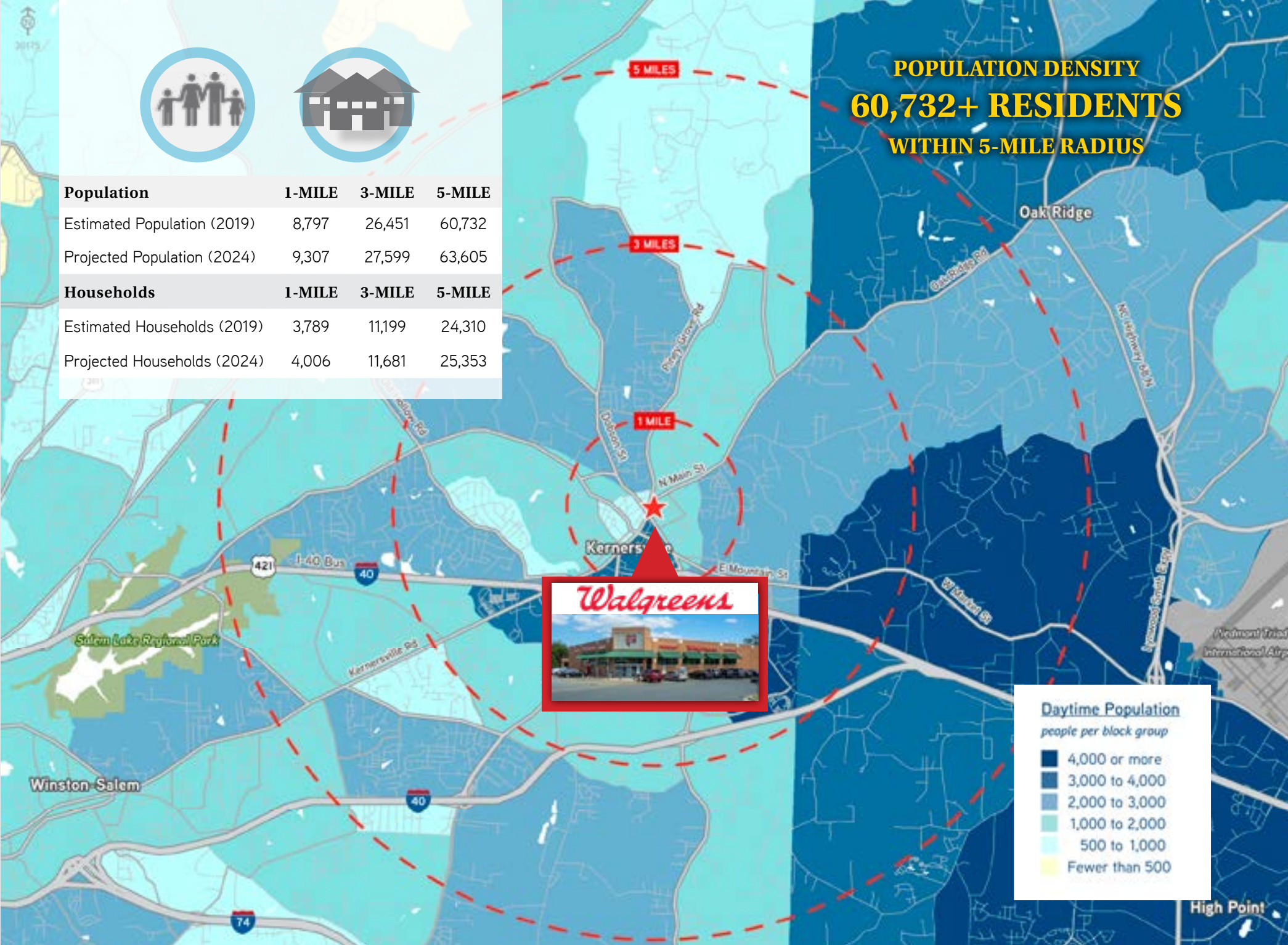
The business mix in Kernersville is extremely balanced between industrial, retail, professional services (finance, insurance, and real estate), and government services. That balance has made Kernersville's economy more resilient during the economic downturns since the Town does not rely upon one type of business sector. The business mix also offers our citizens a wider range of employment options.





Population	1-MILE	3-MILE	5-MILE
Estimated Population (2019)	8,797	26,451	60,732
Projected Population (2024)	9,307	27,599	63,605
Households	1-MILE	3-MILE	5-MILE
Estimated Households (2019)	3,789	11,199	24,310
Projected Households (2024)	4,006	11,681	25,353

**POPULATION DENSITY
60,732+ RESIDENTS
WITHIN 5-MILE RADIUS**



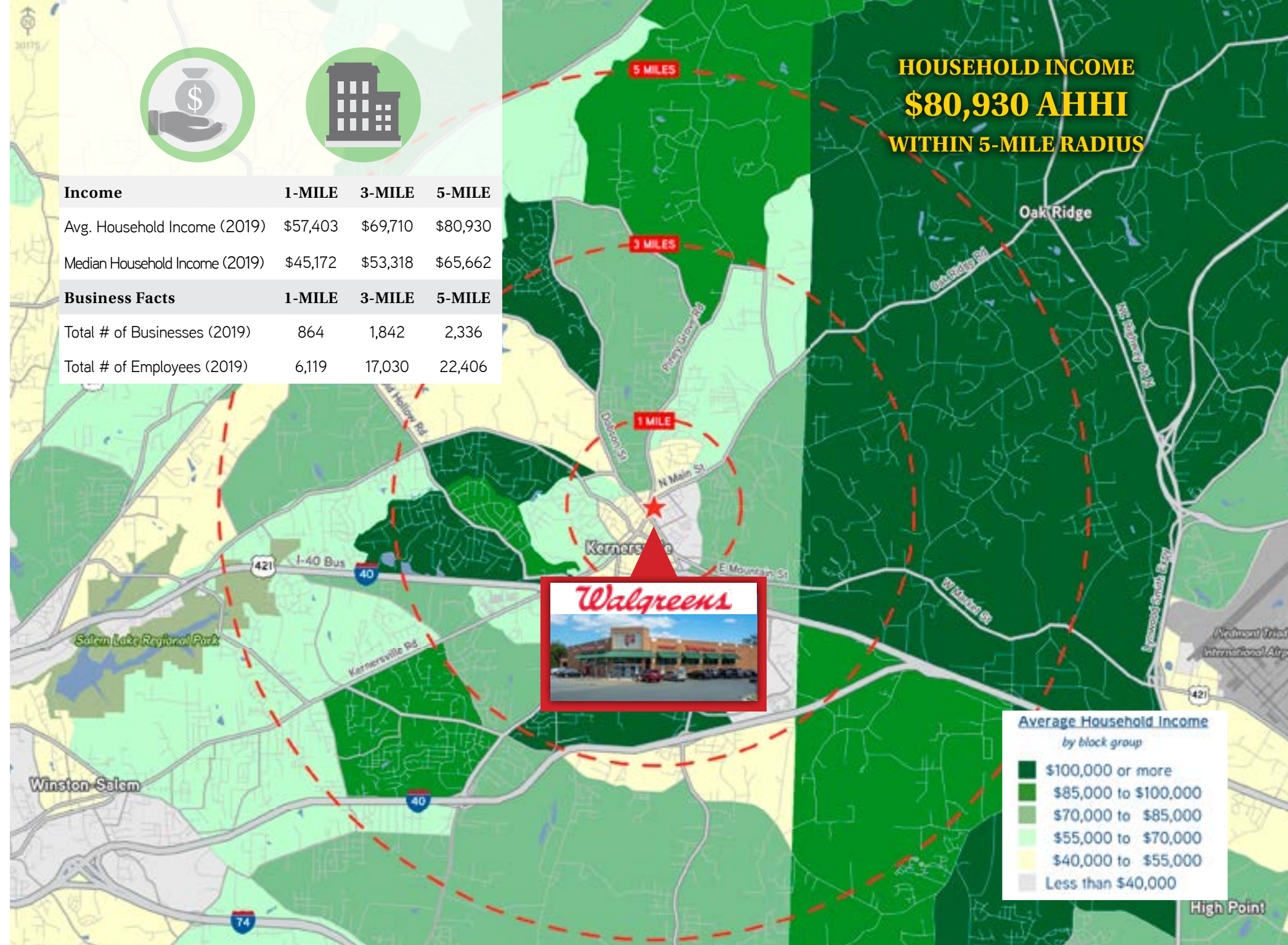
**Daytime Population
people per block group**

- 4,000 or more
- 3,000 to 4,000
- 2,000 to 3,000
- 1,000 to 2,000
- 500 to 1,000
- Fewer than 500



Income	1-MILE	3-MILE	5-MILE
Avg. Household Income (2019)	\$57,403	\$69,710	\$80,930
Median Household Income (2019)	\$45,172	\$53,318	\$65,662
Business Facts	1-MILE	3-MILE	5-MILE
Total # of Businesses (2019)	864	1,842	2,336
Total # of Employees (2019)	6,119	17,030	22,406

**HOUSEHOLD INCOME
\$80,930 AHHI
WITHIN 5-MILE RADIUS**



**Average Household Income
by block group**

- \$100,000 or more
- \$85,000 to \$100,000
- \$70,000 to \$85,000
- \$55,000 to \$70,000
- \$40,000 to \$55,000
- Less than \$40,000



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INVESTMENT CONTACTS:

Eric Carlton
Executive Vice President
License No. 01809955
949.724.5561
eric.carlton@colliers.com

Jereme Snyder
Executive Vice President
License No. 01360233
949.724.5552
jereme.snyder@colliers.com

Carter Rudnick
Associate
License No. 01978170
310.321.1835
carter.rudnick@colliers.com

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