

Walgreens

ABSOLUTE NNN | VIRGINIA BEACH, VA

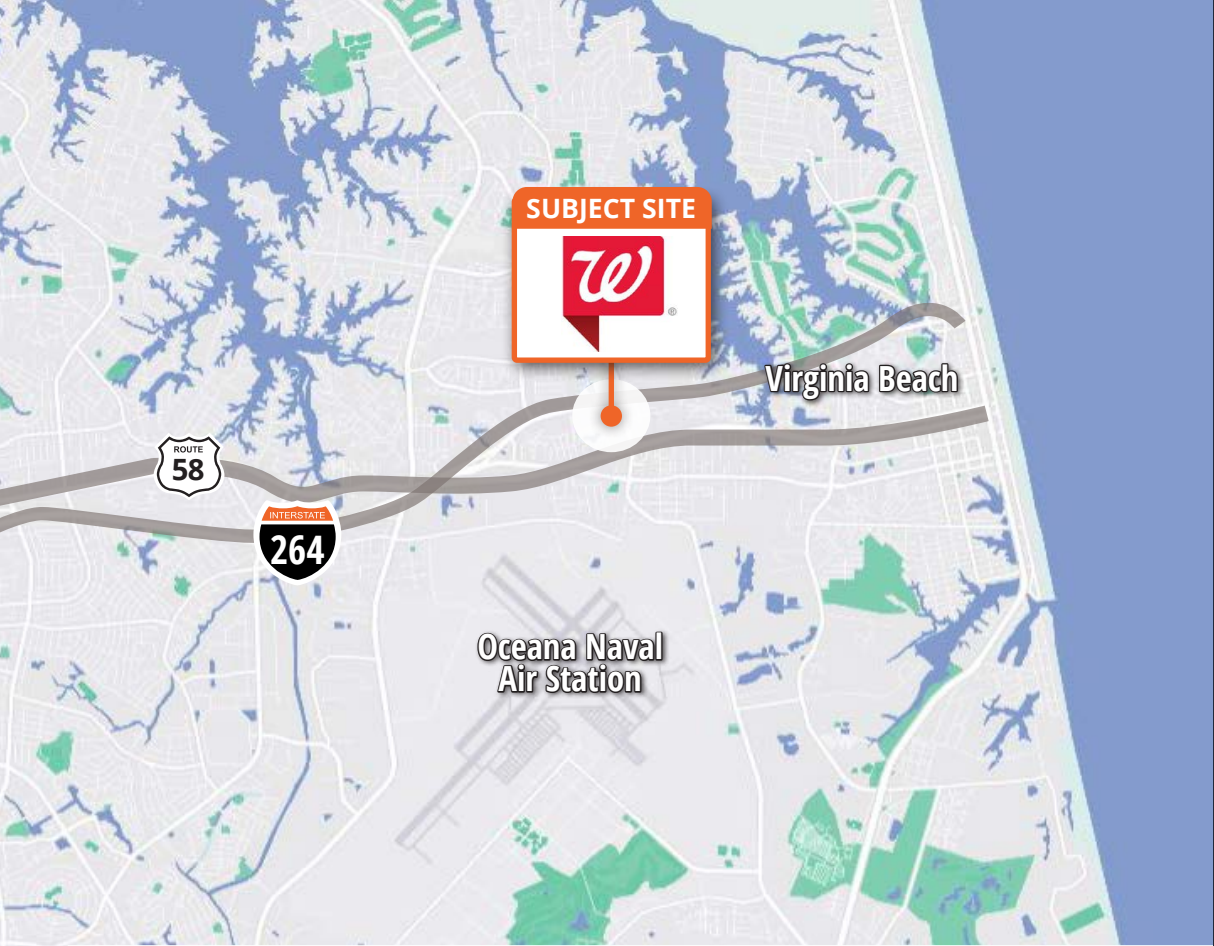


OFFERING MEMORANDUM

645 First Colonial Road | Virginia Beach, VA

**AVISON
YOUNG**

Investment highlights



Signalized intersection with 70,000+ combined VPD at the intersection of First Colonial Road & Laskin Road



Location has a beer and wine license



2015 build-to-suit construction with drive-thru pharmacy window



Lease signed by Walgreens Boots Alliance (S&P: BB | Moody's: Ba2)



Excellent demographics – 134,375 residents and average household incomes of \$107,695 within a 5-mile radius of the property



Several nearby national retailers on the heavily trafficked corridor driving traffic to the property



Close proximity to Oceana Naval Air Station so location fills prescriptions for military personnel



Financial summary



TRANSACTION SNAPSHOT



Asking Price
\$8,322,580



Cap Rate
7.75%



NOI
\$645,000



Lease Term
10+ Years

ASSET SUMMARY

Net Operating Income (NOI)	\$645,000
Rent/Month	\$53,750
Rentable Square Feet	13,904 +/- SF
Land Area	1.04 +/- Acres
Tenant Name	Walgreens
Guarantor	Corporate - Walgreens Boots Alliance
Year Built	2015

Ownership Type	Fee Simple
Lease Type	Absolute NNN
Landlord Responsibilities	None
Lease Term Remaining	10+ Years
Rent Commencement	4/01/2015
Lease Expiration	3/31/2035
Options	Eleven (5-year) Options

Tenant overview

About Walgreens

Founded in 1901, Walgreens is one of the largest pharmaceutical drug retailers in the United States. As part of the Walgreens Boots Alliance, Inc. (NASDAQ: WBA), the leading global pharmacy-led health and wellbeing enterprise. In the U.S., Walgreens is approximately 240,000 team members strong with nearly 9,000 stores in all 50 states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. In fact, there's a Walgreens store located within five miles of approximately 78% of all Americans.

In a recent development, Walgreens Boots Alliance has announced an increased investment in VillageMD, a move aimed at enhancing its strategic position in providing value-based primary care. This investment will facilitate the establishment of full-service clinics within Walgreens stores, known as Village Medical at Walgreens primary care practices. The goal is to accelerate the opening of over 600 such practices in more than 30 U.S. markets by 2025 and expand to 1,000 by 2027, further solidifying Walgreens' commitment to delivering comprehensive and accessible healthcare services.

Walgreens has seen steady growth; In 2010, they acquired New York City chain Duane Reade and in 2017 they purchased half of Rite Aid's stores, adding over 1,900 stores to its portfolio. Walgreens is publicly traded rated BB by S&P and Ba2 by Moody's.



Employees
240,000



Founded
1901



Locations
9,000+



Revenue 2024
\$147.7 billion



Location retail north direction



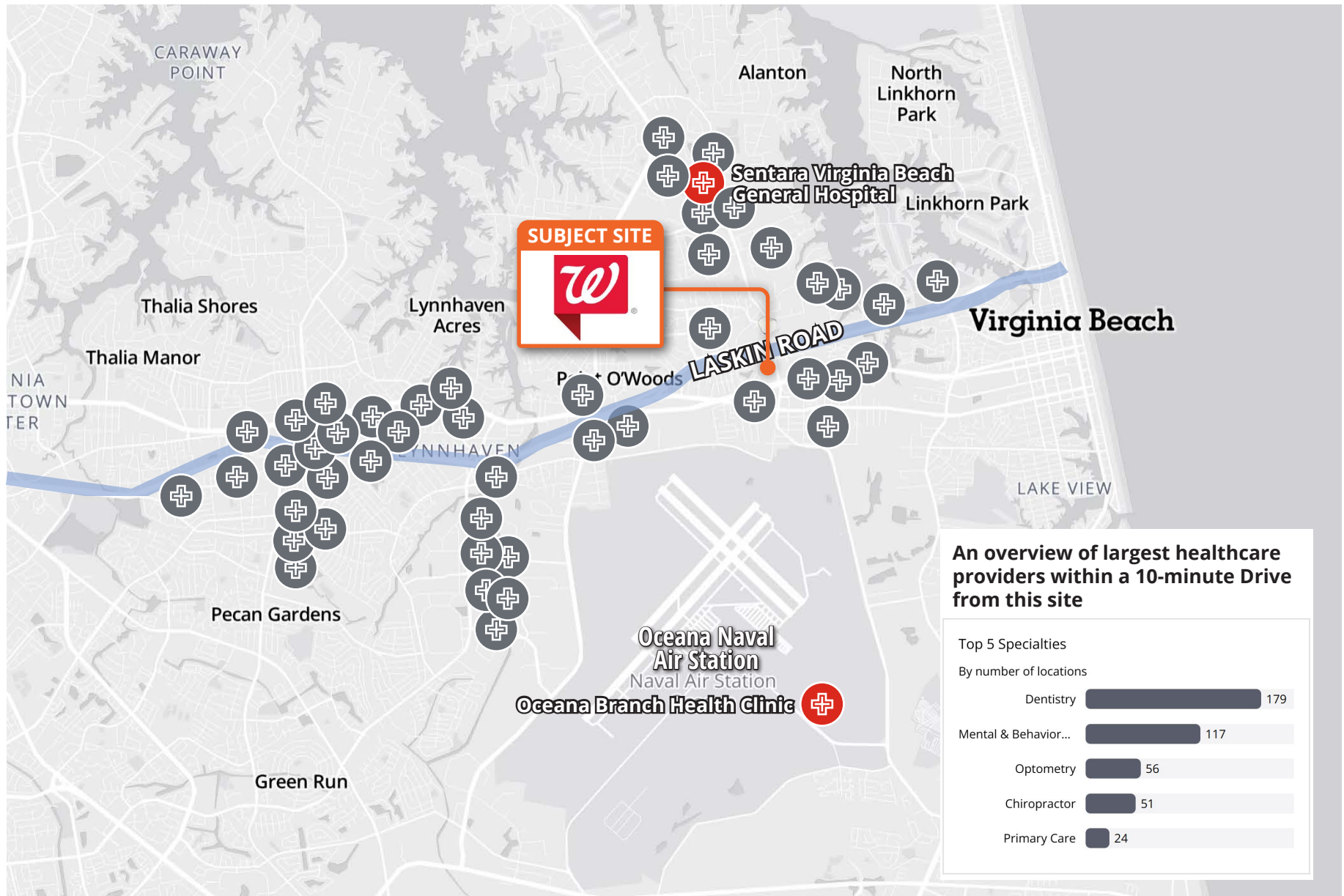
Location retail south direction



Strong retail corridor



Healthcare providers and services



Virginia Beach, VA

Virginia Beach, VA, is a vibrant coastal city known for its beautiful beaches, bustling boardwalk, and rich history. It's a popular destination for tourists and a beloved home for its residents. The city offers a mix of urban amenities and natural beauty, making it an attractive place to live and visit.

First Colonial Road and Laskin Road are two significant thoroughfares in Virginia Beach, intersecting in a highly trafficked area that serves as a commercial hub. This intersection is part of the Hilltop business corridor, which is undergoing substantial improvements to enhance traffic flow and safety. The Laskin Road Bridge Replacement and Widening Project is a major initiative aimed at expanding road capacity and improving infrastructure.

First Colonial Road is a key north-south route that connects various neighborhoods and commercial areas. It provides access to important local amenities, including Sentara Virginia Beach General Hospital, making it a vital artery for residents and visitors alike.

Laskin Road, also known as Route 58, is a major east-west corridor that leads directly to the oceanfront. This road is lined with numerous national retailers, restaurants, and businesses, contributing to its status as a bustling commercial area. The ongoing improvements, including the widening of the road and the replacement of the bridge over Linkhorn Bay, are set to enhance its capacity and safety.

Together, these roads form a crucial part of Virginia Beach's transportation network, supporting both local commerce and daily commutes. The improvements being made will not only benefit current residents and businesses but also ensure that the area can accommodate future growth and development.



**VIRGINIA BEACH RANKED #8
BEST PLACE TO LIVE IN U.S.**

US News and World Report (2024)



**VIRGINIA BEACH RANKS #3 IN U.S.
FOR PARKS & WALKABILITY**

Walk Score (2020)



**#2 BEST PLACES
TO GO**

Forbes Magazine (2024)



**VIRGINIA BEACH TOWN TOPS LIST FOR QUALITY
OF LIFE, AFFORDABILITY, AND HEALTHCARE**

Travel + Leisure (2024)



**RANKED 'LEAST DIRTY' AMONG
152 U.S. CITIES**

LawnStarter Study (2024)



5-MILE RADIUS

\$227,109

MEDIAN NET WORTH

38.5

MEDIAN AGE

\$107,695

MEDIAN HH INCOME

7,870

TOTAL BUSINESSES

134,400

TOTAL POPULATION



Let's connect.

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