



# OFFERING MEMORANDUM • WALGREENS NNN

TROPHY COASTAL WALGREENS WITH 14-YEARS & 5% INCREASES EVERY 5 YEARS ON BASE LEASE

*Actual Photo*

*1211 Boston Post Road, Westbrook, Connecticut, 06498*

Marcus & Millichap



2018 5-MILE POPULATION  
OVER **30,000**



**NEW LONDON, CT**  
25 Miles East



**RESIDENTIAL SUBDIVISION**  
12,000 HOUSEHOLDS  
WITHIN A 5-MILE RADIUS



**SALT ISLAND**

LONG ISLAND SOUND

WESTBROOK HARBOR



**VALERO**  
JOJO'S FOOD MART

JULIE'S CUP  
OF JOE

CRISTY'S  
RESTAURANT

**SUBJECT PROPERTY**  
**WALGREENS**



ROGERS  
BARBER SHOP



**PRIME DOWNTOWN RETAIL STRIP**  
TURTLE CAFE, INSURANCE, FITNESS GYM,  
MILITARY HISTORIANS MUSEUM & HQ

HILLCREST AGENCY  
INSURANCE



CT ROUTE 153



BOSTON POST ROAD/U.S. 1 — 12,000 VPD (2018)



**WESTBROOK GREEN PARK**

\*Borders Are Approximate

LONG ISLAND SOUND

WESTBROOK HARBOR

PATCHOGUE RIVER

WESTBROOK TOWN BEACH  
DUCK ISLAND YACHT CLUB  
PIER 76 MARINA  
PILOTS POINT

Yale NEW HAVEN, CT  
30 Miles West

RESIDENTIAL SUBDIVISION  
12,000 HOUSEHOLDS  
WITHIN A 5-MILE RADIUS



HILLCREST AGENCY  
INSURANCE

WESTBROOK  
FIRE DEPT

Citizens Bank

SUBJECT PROPERTY  
WALGREENS

FIRST CONGREG.  
CHURCH

WESTBROOK  
GREEN PARK

BOSTON POST ROAD/U.S. ROUTE 1 - 12,000 VPD (2018)

KeyBank



153

CT ROUTE 153

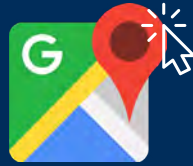
PRIME DOWNTOWN RETAIL STRIP  
TURTLE CAFE, INSURANCE, FITNESS GYM,  
MILITARY HISTORIANS MUSEUM & HQ



2018 5-MILE AVG HH INCOME  
OVER \$113,000



\*Borders Are Approximate



ADDRESS:

1211 BOSTON POST RD  
WESTBROOK, CT 06498



PRICE

\$8,694,400



CAP RATE

5.25%



ANNUAL RENT

\$456,456

### LEASE SUMMARY

Tenant	Walgreens Boots Alliance
Lease Type	Absolute NNN
Roof & Structure Responsibility	Tenant
Lease Commencement	1/1/2007
Base Lease Expiration	3/31/2033
Base Term Remaining	14 Years +/-
Options	Yes, 10, 5-Year Options
Increases	Yes, 5% Every 5-Years in Base Lease and Options
Right of First Refusal	Yes, Tenant has 10 Days to Respond

### VITAL DATA

Price	\$8,694,400
Cap Rate	5.25%
Cap Rate Year-10 (2029)	5.79%
Gross Leasable Area	14,820 +/- Sq. Ft.
Year Built	2007
Lot Size	1.57 +/- Acre(s)

### BASE RENT SCHEDULE

Year	Annual Rent	Monthly Rent	Rent/Sq. Ft.	Cap Rate
1/1/2018-12/31/2023	\$456,456	\$38,038.00	\$30.80	5.25%
1/1/2024-12/31/2028	\$479,279	\$39,939.92	\$32.34	5.51%
1/1/2029-12/31/2033	\$503,243	\$41,936.92	\$33.96	5.79%
1/1/2034-12/31/2038	\$528,405	\$44,033.75	\$35.65	6.08%

*\*If 2.0% of Gross Sales (except food and prescription sales) plus 0.5% of Gross Food and Prescription Sales exceeds fixed rent during the lease year, then Tenant will pay excess amount as additional Percentage Rent. In no event shall the total rent paid exceed twice the amount of fixed rent payable.*

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# INVESTMENT HIGHLIGHTS



**Corporate Guarantee with Investment-Grade Tenant Walgreens Boots Alliance (NASDAQ: WBA), The Nations Largest Drugstore Chain with a Current B1 Credit Rating**

*(Source: Creditntell, 2019)*



**Prime 14,820-Square Foot, Freestanding Location on Signalized Intersection & Primary Regional Thoroughfare Boston Post Road/Route 1 That Sees Over 12,000 VPD | Only 5 Miles from Interstate I-9 That Sees Over 60,000 VPD**

*(Source: CoStar.com, 2018)*



**Long Term, Inflation Hedge has 14-Years Firm Term Remaining with 5-Percent Increases Every 5 Years, Including Options**



**Absolute NNN - Absolutely Zero Landlord Responsibilities**

**Located Along The Coast of Westbrook Harbor in the Long Island Sound, Only 50 Miles from State Capitol Hartford, CT, 75 Miles from Providence, RI, 100 Miles from New York City, NY and 120 Miles from Boston, MA**



**Well Above-Average Household Income of Over \$113,000 within 5-Miles of the Subject Property with Approximately 12,000 Households within 5-Miles**



**Subject Situated Just Down the Street From Shore Line East Commuter Rail Service Station, One of 15 Stops Operated by Amtrak and ConnDOT, That Saw Over 2,100 Passengers Daily in 2018 | Connects New London to New Haven, Stamford to**



**New York City's Grand Central Station**

**30 Minutes East from Yale University in New Haven with Approximately 12,000 Students, 30 Minutes South from Wesleyan University in Middletown with Approximately 3,000 Students**



**Nearby Retailers Include: Keybank, Citizens Bank, Coldwell Banker, Denny's, Honda, Toyota, Mobil Gas, Dunkin' Donuts, and Westbrook Outlets That Feature 50 Outlet Shops and a Marquee Cinema 12 Movie Theatre**



**Only 1 Hour Drive Away from Bradley International Airport, Connecticut's Busiest Commercial Airport and the Second-Busiest Airport in New England, Serving Over 6.6 Million Passengers in 2018**



**Nearby Outdoor Recreational Amenities Include: Westbrook Green, Daniel P. Wren Park, Salt Island, the Patchogue River, and Many More**



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# DEMOGRAPHICS

2018 5-MILE AVERAGE HOUSEHOLD INCOME **OVER \$113,000**

2018 5-MILE POPULATION **APPROX. 30,000**

2018 5-MILE HOUSEHOLDS **APPROX. 12,000**

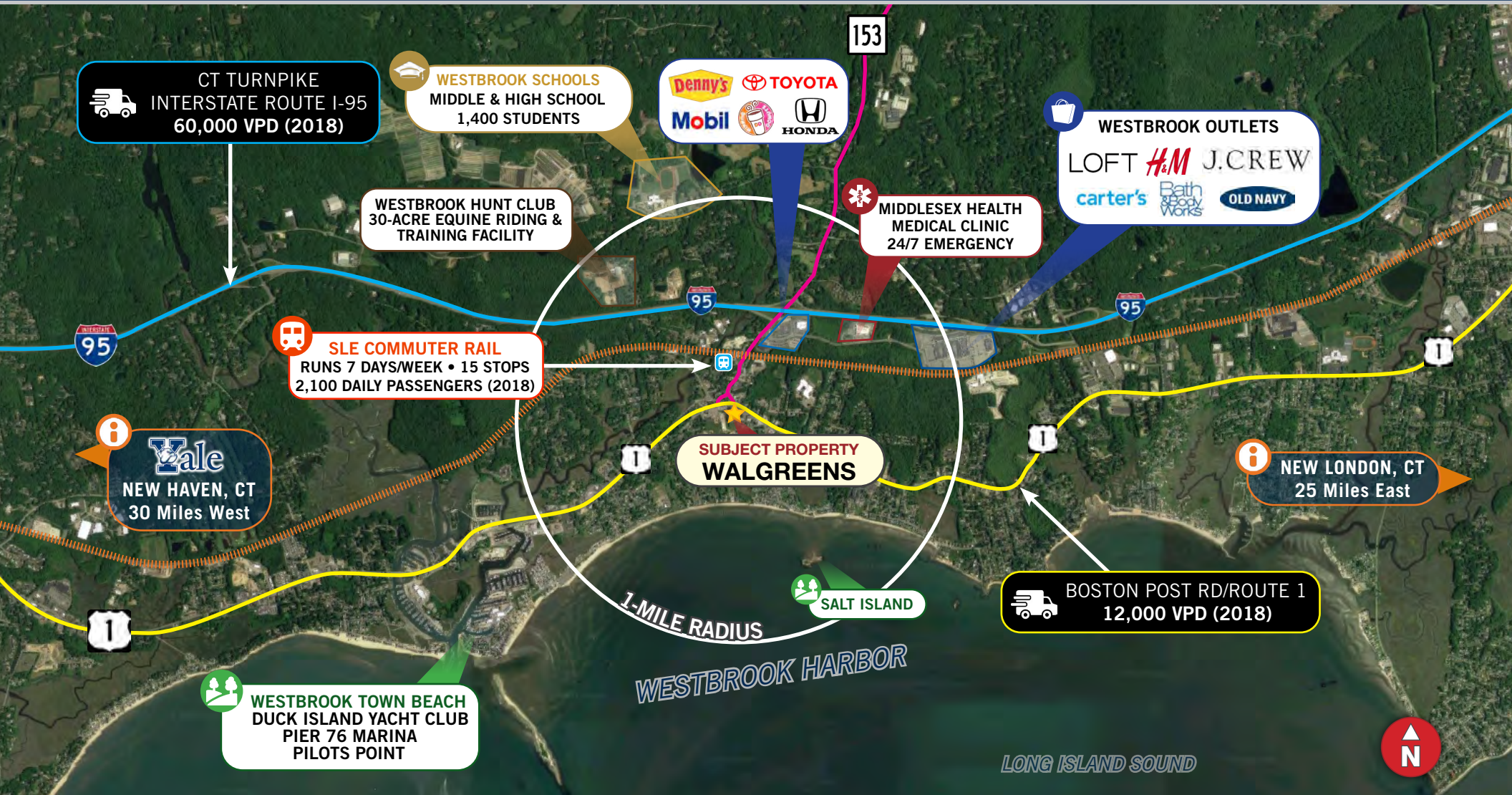
2018 10-MILE DAYTIME POPULATION **APPROX. 68,000**



Area Population	5-Mile	10-Mile	15-Mile
2010 Population	30,634	71,475	140,522
2018 Population Estimate	30,314	70,479	139,867
2023 Population Projection	31,005	72,415	144,687
2018 Daytime Population	31,975	68,638	124,380
Area Households	5-Mile	10-Mile	15-Mile
2010 Households	12,762	29,465	56,202
2018 Households Estimate	12,515	28,822	55,803
2023 Households Projection	12,868	29,864	58,283
2018 Average HH Size	2.4	2.4	2.5
Area Income	5-Mile	10-Mile	15-Mile
Median HH Income	\$82,467	\$93,513	\$95,358
Per Capita Income	\$47,111	\$54,196	\$53,544
Average HH Income	\$113,827	\$132,277	\$133,502

Source: Marcus & Millichap Analytics, U.S. Census Bureau (2019)

# AREA MAP • 1211 BOSTON POST ROAD, WESTBROOK, CT, 06498



\*Borders Are Approximate

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# SITE PLAN



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**SUBJECT PHOTOGRAPHS** • 1211 BOSTON POST ROAD, WESTBROOK, CONNECTICUT 06498



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# LOCATION OVERVIEW

## WESTBROOK, CONNECTICUT

### HARTFORD, CT MSA

Sitting at the southern end of the Metacomet Ridge, **Westbrook** is a town in Middlesex County, Connecticut with a population of approximately 7,000 people. Westbrook lies along the shoreline area of the state and encompasses three uninhabited islands, where the Connecticut River empties into the Long Island Sound.

Westbrook is part of the **Lower Connecticut River Valley**, a region focused around the juncture where the Connecticut River meets Long Island Sound. It is located in the southeastern-central part of the state and encompasses seventeen towns in Middlesex County. The Lower Connecticut River Valley region is known for its picturesque riverside scenery, small river and shoreline towns, and numerous tourist attractions including parks, resorts, golf courses, and a castle. Middletown, the region's largest town, is home to Wesleyan University, while nearby New Haven is home to Yale University.

**The Hartford, CT Metropolitan Statistical Area (MSA)** contains 54 towns of Hartford County, Tolland County, and Middlesex County. As of 2018, the Hartford metro has a residential population of 1.2 million and employs over a half million people in local industries, with an average commute time of 22 minutes.

Known nationally for its role as a focal point for the American insurance industry, the Hartford metro houses the state capitol in Hartford and the University of Connecticut in Storrs. The metro has a diverse economic background including aerospace, hydrogen/fuel cell technology, laser manufacturing and healthcare industries. Other notable companies with significant operations in the metro include chemical and consumer goods company Henkel, locally headquartered technology firm United Technologies Corp. and media giant ESPN, which is also headquartered in the metro.

Hartford is a center for medical care, research and education. The city of Hartford includes Hartford Hospital, the Institute of Living, Connecticut Children's Medical Center, and Saint Francis Hospital & Medical Center. The University of Connecticut enrolls more than 32,000 students.



### MIDDLESEX COUNTY MAJOR REGIONAL EMPLOYERS

Employer	Industry	Employees
Middlesex Hospital	Healthcare	1,000-4,999
Conn. Valley Hospital	Healthcare	1,000-4,999
International Society	Organizations	1,000-4,999
Whiting Forensic Institute	Surgeons	1,000-4,999
Wesleyan University	Education	500-999
Lee Co USA	Manufacturing	500-999
Beloit Health System	Healthcare	500-999
Whelen Engineering	Manufacturing	500-999
Zygo Corp	Manufacturing	250-499
Stop & Shop	Grocery	250-499

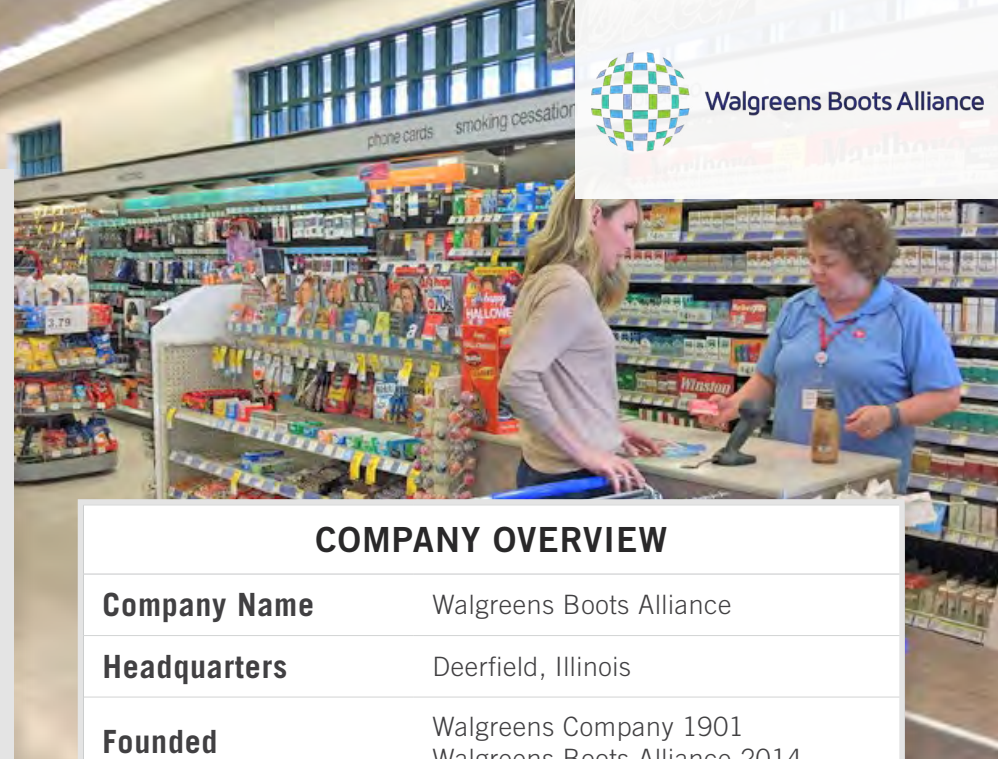
*Employer Numbers as of 2019  
Sources: Marcus & Millichap Research Services; BLS; Bureau of Economic Analysis; Experian; Fortune; Moody's Analytics; U.S. Census Bureau, CT.gov, Rivercog.org*

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# TENANT OVERVIEW



Walgreens Boots Alliance



## WALGREENS COMPANY

**Walgreens Boots Alliance** (NASDAQ: WBA) is the first global pharmacy-led, health and wellbeing enterprise of its kind. The Company's heritage of trusted health care services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years. It is the largest retail pharmacy chain in the U.S. and one of the world's largest purchasers of prescription drugs, along with numerous health, beauty, and wellbeing products. Nearly 8 million customers interact with Walgreens in stores and online each day.

Walgreens Boots Alliance operates through three business segments: Retail Pharmacy USA, Pharmaceutical Wholesale and Retail Pharmacy International. Retail Pharmacy USA engages in pharmacy-led health and beauty retail, selling its products at Walgreens and Duane Reade stores in all 50 states.

Throughout 2018, Walgreens adapted to compete with the rise of e-Commerce by teaming up with major companies such as Humana to offer senior care, FedEx to offer next-day prescription delivery, Alphabet's Verily to assist patients with chronic illness, Kroger to test an in-store grocery pilot, as well as Birchbox to offer monthly beauty subscriptions. The drugstore has also made space for CBD products to be sold in 1,500 stores across nine states. Walgreens Boots Alliance acquired 1,932 Rite Aid stores and three distribution centers for \$4.4 billion in 2018, to be fully integrated by the 2020 fiscal year.

In December 2018, the Company launched a cost management program with targeted savings of \$1.50 billion by fiscal 2022 to stay agile in a competitive market. In January 2019, the Company established a strategic partnership with Microsoft Corp. to develop new health care delivery models, technology and retail innovations, and lower the cost of care. The Company plans to open 600 medical testing facilities inside its stores within four years, run by LabCorp, and is on track to open 125 of those outlets in 2019.

Walgreens Boots Alliance is included in Fortune magazine's 2019 list of the World's Most Admired Companies and ranked first in the food and drugstore category.

### COMPANY OVERVIEW

<b>Company Name</b>	Walgreens Boots Alliance
<b>Headquarters</b>	Deerfield, Illinois
<b>Founded</b>	Walgreens Company 1901 Walgreens Boots Alliance 2014
<b>Credit Rating</b>	B1 (Creditnell)
<b>CEO</b>	Stefano Pessina
<b>Locations</b>	18,500 Stores in 11 Countries 9,390 Walgreens Stores 1,932 Rite Aid Stores 390 Distribution Centers 415,000 Employees  <i>Numbers as of 3Q 2019</i>
<b>Numbers</b>	\$136.1 Billion in <b>Revenue</b> \$25.3 Billion in <b>Assets</b> \$5.1 Billion in <b>Profits</b>  <i>Numbers as of Fiscal Year 2018</i>
<b>Website</b>	www.walgreens.com

Sources: Walgreens Boots Alliance, Factset, Bloomberg, S&P Cap IQ; Forbes

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124,300

**DAYTIME POPULATION  
WITHIN 15-MILE RADIUS**

*SOURCE: MARCUS & MILLICHAP  
ANALYTICS, U.S. CENSUS*



**DISTANCE**

**50 MILES FROM  
HARTFORD, CT**

**75 MILES FROM  
PROVIDENCE, RI**

**100 MILES FROM  
NEW YORK CITY, NY**

**120 MILES FROM  
BOSTON, MA**



**1 HOUR**

**DRIVE FROM BRADLEY  
INTERNATIONAL AIRPORT**

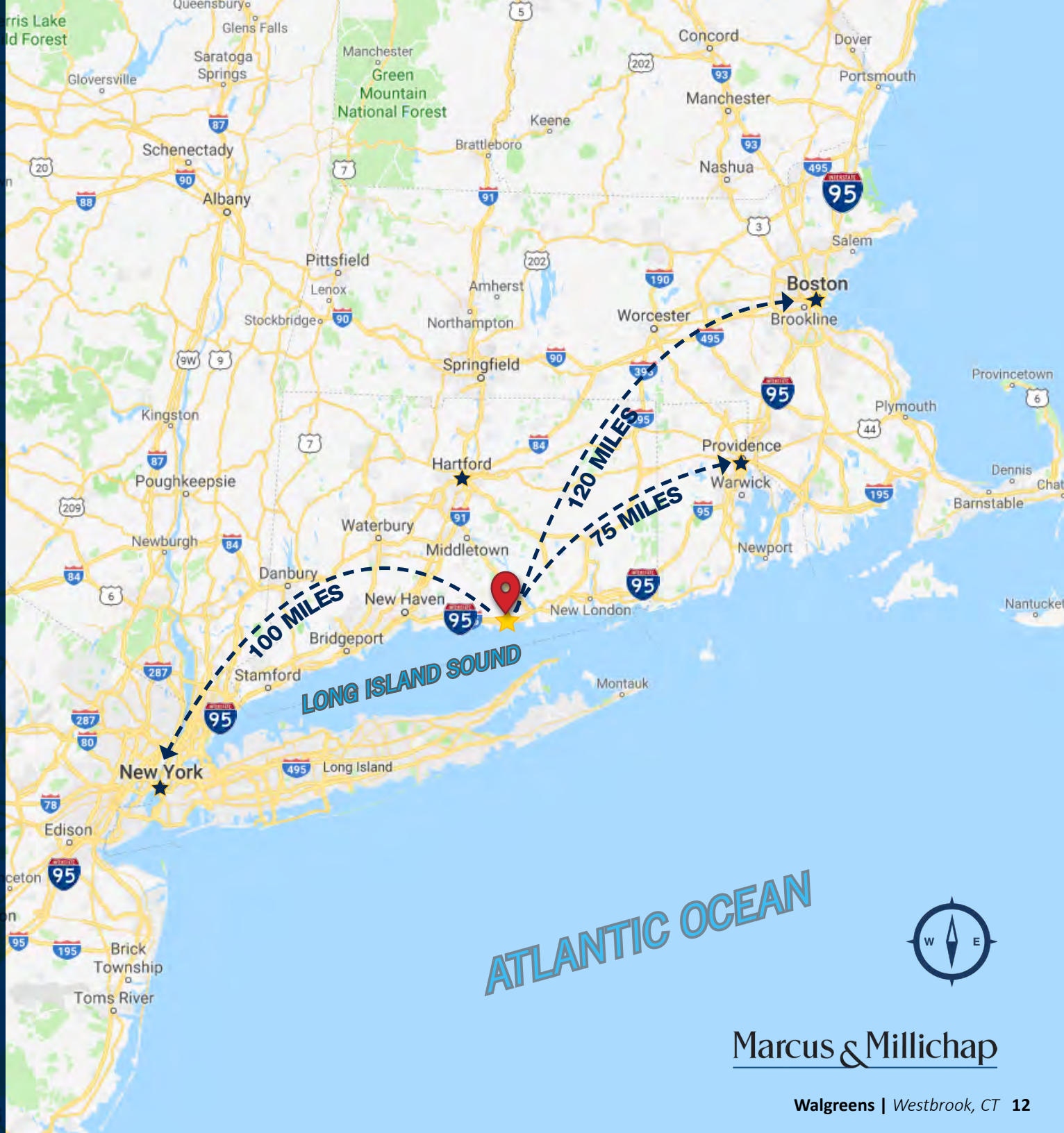
*"BDL" IS CONNECTICUT'S BUSIEST  
COMMERCIAL AIRPORT*



**MAJOR ACCESS**

**U.S. HIGHWAY 1 AND I-95**

*MAJOR 2,000-MILE EAST COAST  
ARTERIES BOTH RUN FROM  
MAINE TO FLORIDA*



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\*Borders Are Approximate

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**ACTIVITY ID: ZAA0331529**

**CT BROKER OF RECORD**

**J.D. PARKER  
LIC. # REB.0788985**

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# OFFERING MEMORANDUM • CT COAST WALGREENS

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*Subject Photo*

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