

Walgreens

WITH DEVELOPMENT OPPORTUNITY

📍 27 ROUND LAKE ROAD, BALLSTON LAKE, NEW YORK 12019



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  *Walgreens*

Marcus & Millichap

Investment Contacts

MICHAEL A. CARDONE

Licensed Real Estate Salesperson
National Retail Group
Net Leased Properties Group

Office: (646) 805-1491
Cell: (973) 902-6695

E-mail: Michael.Cardone@marcusmillichap.com
License: NY: 10401311477

CHRISTOPHER S. PAPPAS, ESQ

Licensed Attorney - Maryland State Bar
Licensed Real Estate Salesperson
National Retail Group
Net Leased Properties Group

Office: (212) 430-5180
Cell: (646) 799-1419

E-mail: christopher.pappas@marcusmillichap.com
License: NY: 10401300636





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Investment Overview

Marcus & Millichap is pleased to present for sale a Walgreens Pharmacy located at 27 Round Lake Road in Ballston Lake, Saratoga County, New York. The subject property consists of a single story 14,375 square foot freestanding structure situated on a 7.96-acre parcel with 72 parking spaces and a drive-thru component. This absolute net (NNN) leased Walgreens has nearly six (6) years remaining on its base term (expiration June 2025) and features four, five-year options to extend each with an attractive 2.5 percent rent increase. The generously-sized subject parcel will allow investors to cash flow from a proven Walgreens asset while having the option to develop the remaining land to capture significant upside value. The lease is corporately guaranteed by Walgreens Boots Alliance, the largest retail pharmacy, health and daily living destination across the United States and Europe with over 13,200 stores in 11 countries and an S&P credit rating of BBB.

This Walgreens has excellent visibility as it is strategically positioned at the newly constructed roundabout connecting Round Lake Road (15,563 Vehicles Per Day (VPD))

and Raylinsky Road less than one-quarter mile from ramps on and off Interstate 87 (78,901 VPD). The subject property benefits from limited competition with no national pharmacy retailers situated within a several mile radius and is adjacent to Malta Mall anchored by Hannaford supermarket benefiting from no immediate grocery store competition. Moreover, the subject property is positioned immediately across from Bishop's Square, a 21+ acre approved planned development district featuring a recently constructed Stewart's Shops gas station, Mabey's Self Storage and an 11,000 square foot retail building which recently broke ground. The subject property is in an area with a population of over 47,000 people living within a five-mile radius, an average annual household income of nearly \$109,000, and a healthy expected growth rate of over four percent by between 2018 and 2023. This Walgreens provides an ideal opportunity for qualified investors and 1031 exchange buyers to purchase an absolute net leased property with zero landlord responsibilities tenanted by the largest pharmacy chain in the United States.

Investment Highlights

- Absolute NNN Walgreens Located at the Highly Trafficked Roundabout Connecting Round Lake Road (15,420 VPD) and Raylinksky Road Less Than One-Quarter Mile from Interstate 87 (78,910 VPD)
- Nearly Six Years Remaining on the Lease Base Term Featuring Four, Five-Year Options Each with 2.5 Percent Rent Increases
- No National Drug Store Competition within a Several Mile Radius and Adjacent to Malta Mall Anchored by Hannaford Supermarket Also Benefiting from Limited Competition
- Immediately Across from Bishop's Square, a 21+ Acre Approved Planned Development District Featuring Stewart's Shops, Mabey's Self Storage and an 11,000 Square Foot Retail Building which Recently Broke Ground
- Generously-Sized 7.96-Acre Parcel Providing Investors Development Potential to Capture Substantial Upside
- Situated in an Area with Over 47,000 People Living Within a Five Mile Radius, an Average Annual Household Income Exceeding \$109,000 and an Expected Growth Rate of Over Four Percent by 2023
- Lease Corporately Guaranteed by Walgreens Boots Alliance, the Largest Retail Pharmacy, Health and Daily Living Destination Across the U.S. and Europe

Offering Summary

PRICE

\$ 3,795,000

Gross Leaseable Area	14,375 SF	Price Per SF	\$264
Cap Rate	7.10%	Year 1 NOI	\$269,519
Lease Expiration	June 30, 2025	Years Remaining	5.5 + Years
Lot Size	7.96 Acres		

START DATE	END DATE	RENT PSF	MONTHLY	ANNUAL	INCREASES	TERM
June 2005	June 2025	\$18.75	\$22,460	\$269,519	Flat	Base
July 2025	June 2030	\$19.23	\$23,035	\$276,426	2.50%	Option 1
July 2030	June 2035	\$19.71	\$26,611	\$283,332	2.50%	Option 2
July 2035	June 2040	\$20.19	\$24,187	\$290,239	2.50%	Option 3
July 2040	June 2045	\$20.67	\$24,762	\$297,145	2.50%	Option 4



Tenant & Lease Overview

Tenant Overview - Walgreens

Tenant	Walgreens
Industry	Drug Store / Pharmacy
Parent	Walgreens Boots Alliance
Public/Private	Public
Ticker Symbol	NYSE: WAG
Net Revenue (FY 2017)	\$118.21 Billion
Operating Income (FY 2017)	\$5.557 Billion
Net Income	\$4.078 Billion
Credit Rating / Rating Agency	BBB / S&P Baa2 / Moody's
Number of Stores	10,000+
Headquarters	Deerfield, IL
Website	www.walgreens.com
Year Founded	1901
Fortune 500 Rank (2017)	#17

Lease Overview - Walgreens

Building	14,375 SF
Current Term Expiration	June 30, 2025
Lease Term Remaining	5.5 + Years
Rent / PSF	\$18.75
Monthly Rent	\$22,460
Annual Rent	\$269,519
Lease Type	NNN
Roof & Structure	Tenant Responsibility
Guarantor	Corporate Guaranty
Options	4, Five-Year w/ 2.5% Increases



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. The Company is a global leader in pharmacy-led, health and wellbeing retail and, together with the companies in which it has equity method investments, has more than 13,200* stores in 11* countries as well as one of the largest global pharmaceutical wholesale and distribution networks, with more than 390* distribution centers delivering to more than 230,000** pharmacies, doctors, health centers and hospitals each year in more than 20* countries. In March 2018, Walgreens Boots Alliance completed its acquisition of 1,932 retail locations from Rite Aid Corporation, a strategic move that will expand the company's reach and further solidify its position as the national leader in retail pharmaceutical services.

*More company information is available at www.walgreensbootsalliance.com. * As of 31 August 2017, using publicly available information for AmerisourceBergen*

** For 12 months ending 31 August 2017, using publicly available information for AmerisourceBergenAmerisourceBergen*

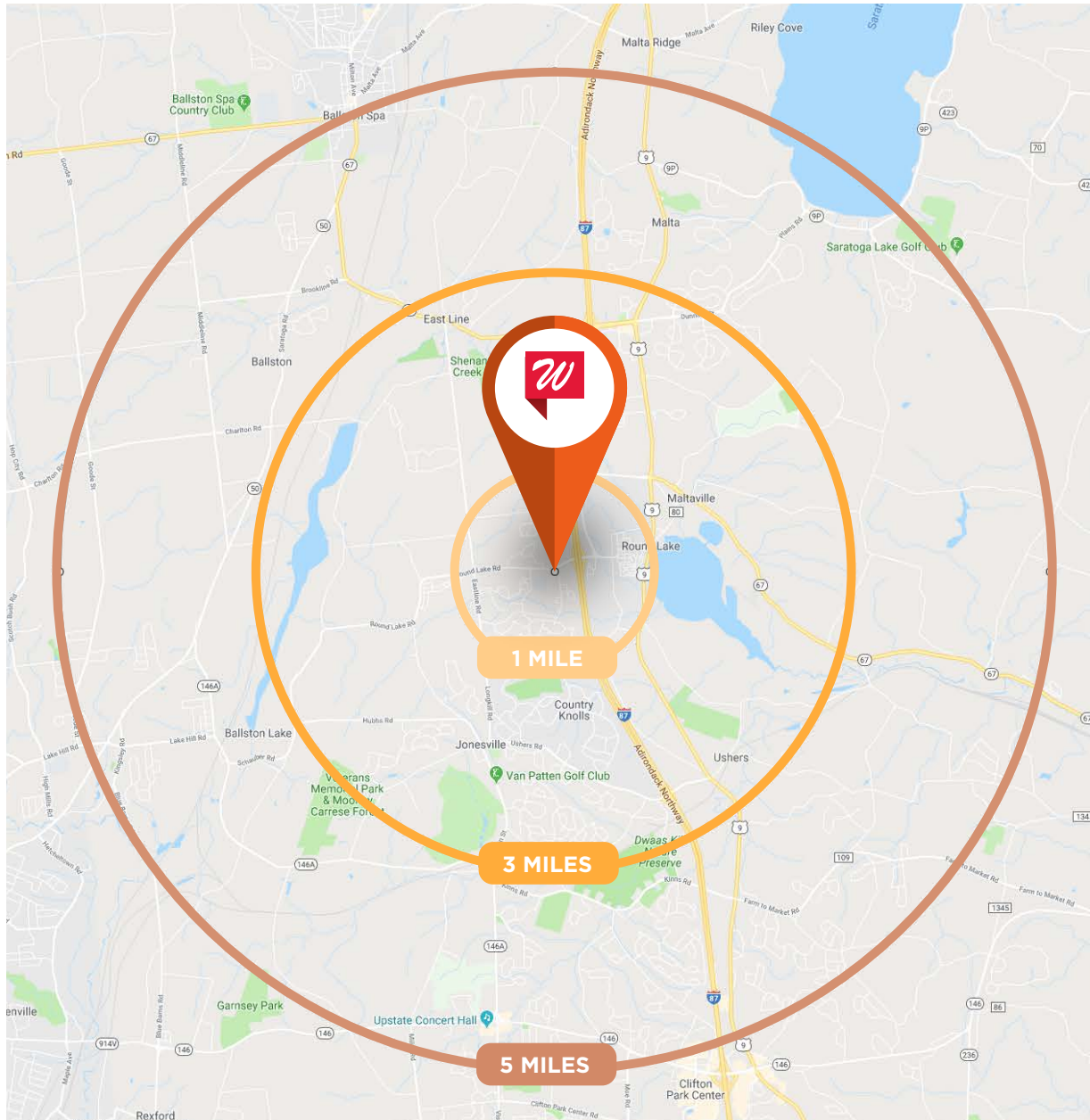
Property Details

Walgreens

Address	27 Round Lake Road, Ballston Lake, NY 12019
Building SF	14,375 SF
Stories/ Lot Size	1 / 7.96 Acres / 346,738 SF
Tax ID Number	414089 250.-1-38.1
Taxes/ Assessment	\$63,304 (2016) / \$3,950,000 (2017)
Zoning	Commercial
Legal Lot/Block	038/0001
24-Hour Store	No
Traffic Counts	15,420 VPD on Round Lake Road
Year Built / Parking Spaces	2004/ 72
Frontage	530' on Round Lake Road, 650' on Raylinsky Road



Demographic Overview



Walgreens

27 ROUND LAKE ROAD, BALLSTON LAKE, NY 12019

	1 Mile	3 Miles	5 Miles
POPULATION			
2023 Projection	5,072	17,751	47,901
2018 Estimate	4,949	17,252	45,974
2010 Census	4,682	16,294	42,998
2000 Census	4,307	15,262	38,932
Projected Growth for 2018 - 2023	2.49%	2.89%	4.19%

	1 Mile	3 Miles	5 Miles
INCOME			
Average	\$101,912	\$116,205	\$115,824
Median	\$76,771	\$93,043	\$92,582
Per Capita	\$44,586	\$46,314	\$46,328

	1 Mile	3 Miles	5 Miles
HOUSEHOLDS			
2023 Projection	2,219	7,118	19,286
2018 Estimate	2,164	6,874	18,361
Projected Growth for 2018 - 2023	2.55%	3.55%	5.04%

**RITE
AID**

Store to be Rebranded

Walgreens

**SUBJECT
PROPERTY**

Walgreens

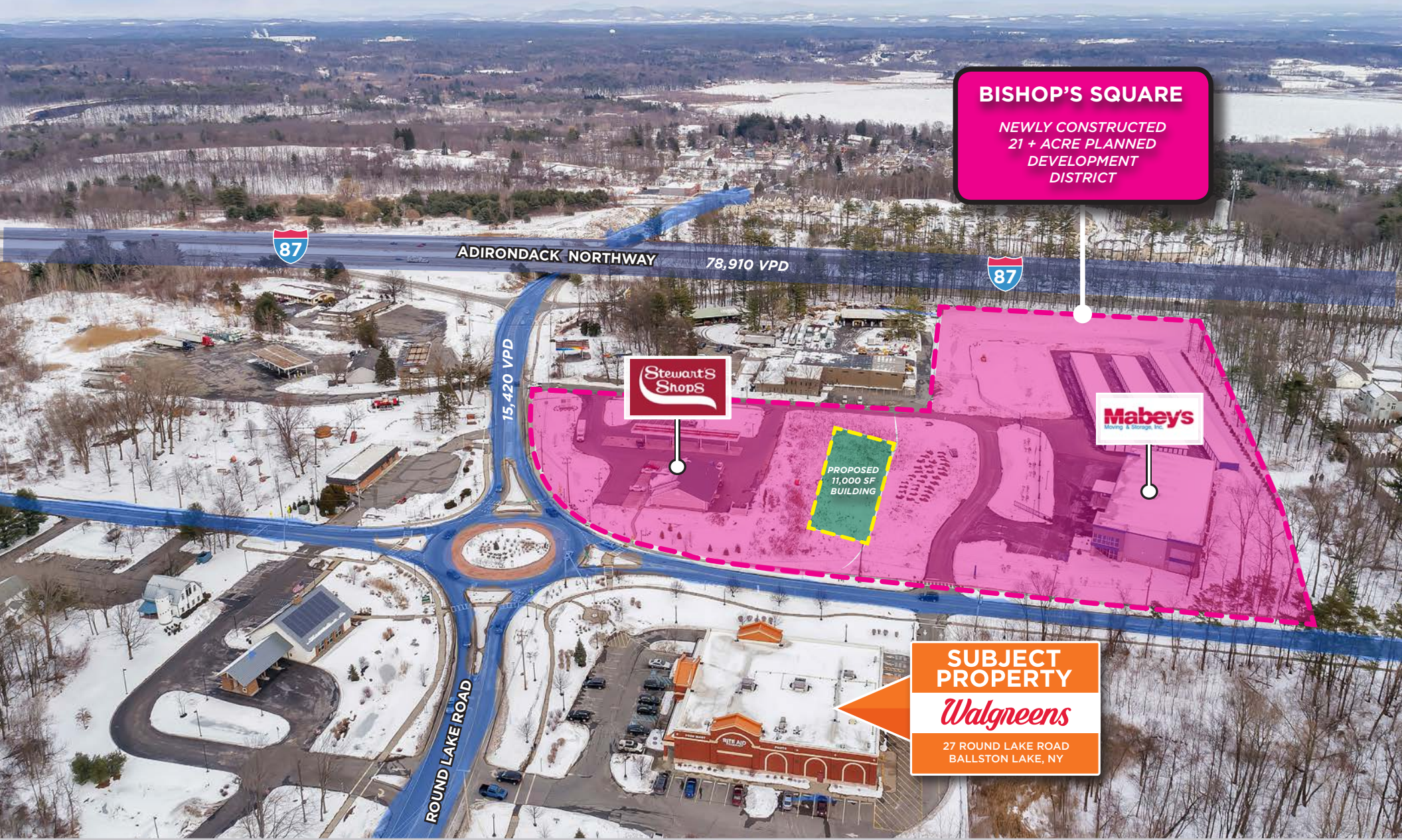
27 ROUND LAKE ROAD
BALLSTON LAKE, NY

**PROPOSED 2-ACRE
DEVELOPMENT
SITE**

ROUND LAKE ROAD

15,420 VPD

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BISHOP'S SQUARE
NEWLY CONSTRUCTED
21 + ACRE PLANNED
DEVELOPMENT
DISTRICT



ADIRONDACK NORTHWAY 78,910 VPD



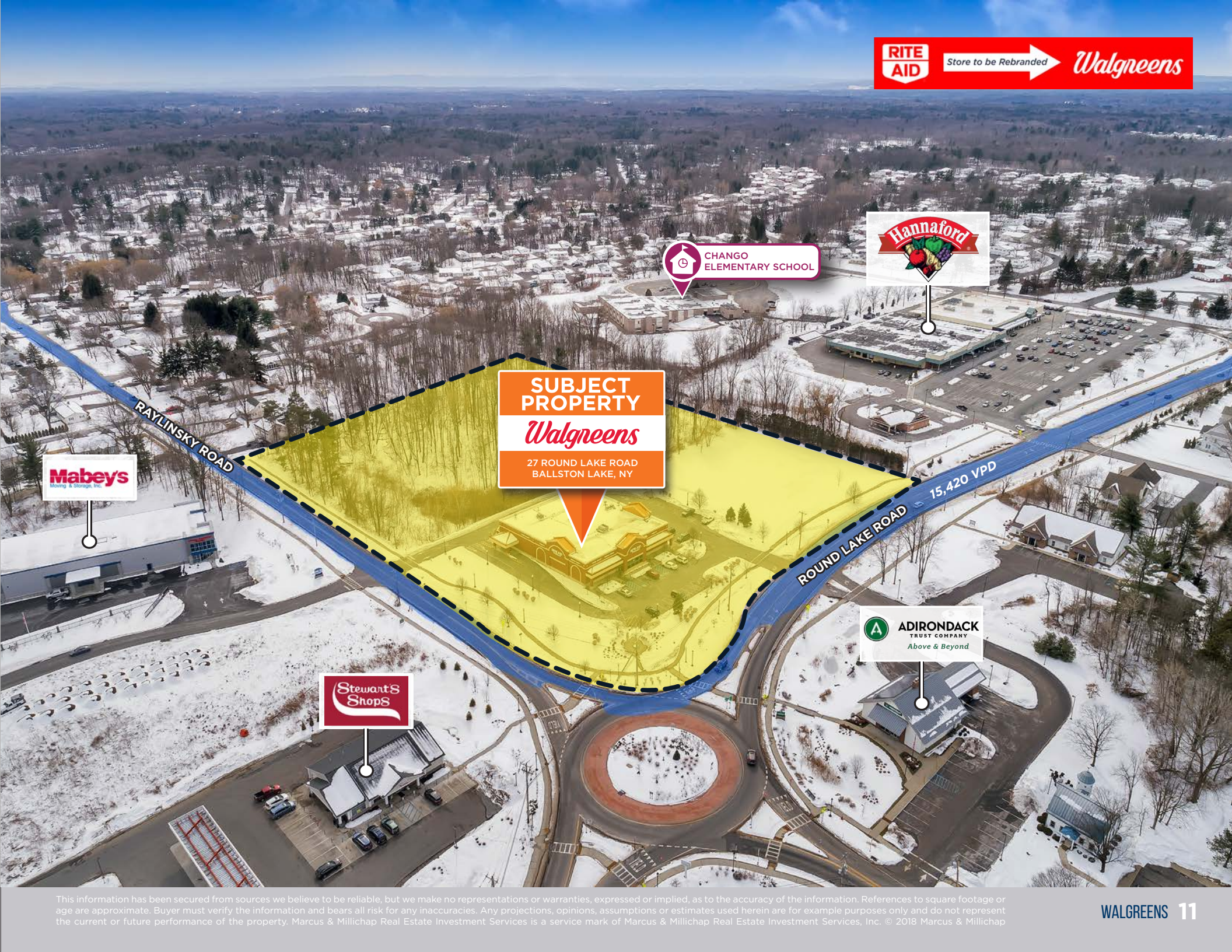
15,420 VPD

**Stewart's
Shops**

PROPOSED
11,000 SF
BUILDING

Mabeys
Moving & Storage, Inc.

**SUBJECT
PROPERTY**
Walgreens
27 ROUND LAKE ROAD
BALLSTON LAKE, NY



**CHANGO
ELEMENTARY SCHOOL**

Hannaford

**SUBJECT
PROPERTY**
Walgreens
27 ROUND LAKE ROAD
BALLSTON LAKE, NY

Mabeys
Moving & Storage, Inc.

ROUND LAKE ROAD 15,420 VPD

**Stewart's
Shops**

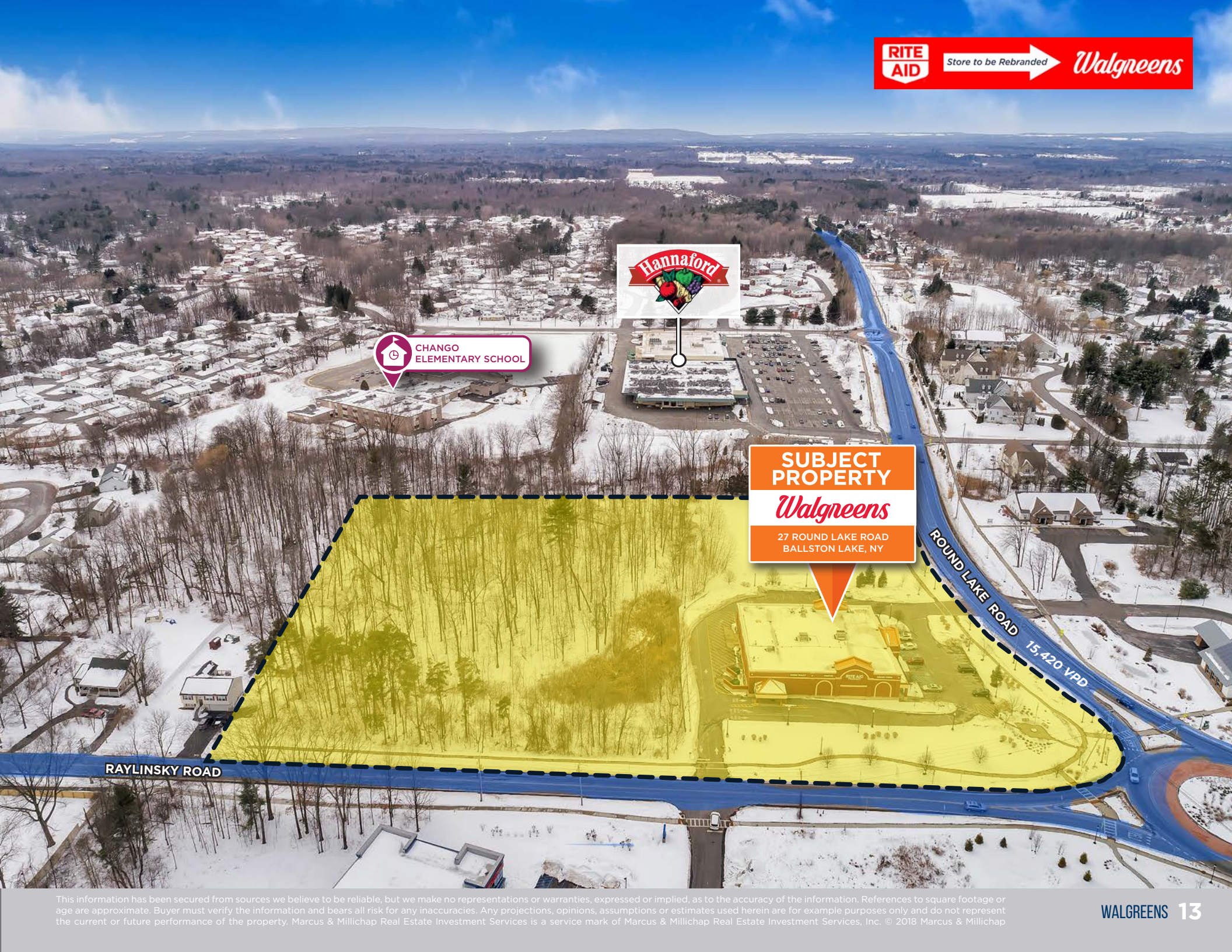
**ADIRONDACK
TRUST COMPANY**
Above & Beyond

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SUBJECT PROPERTY
Walgreens
27 ROUND LAKE ROAD
BALLSTON LAKE, NY

CHANGO
ELEMENTARY SCHOOL





 CHANGO
ELEMENTARY SCHOOL



**SUBJECT
PROPERTY**
Walgreens
27 ROUND LAKE ROAD
BALLSTON LAKE, NY

RAYLINSKY ROAD

ROUND LAKE ROAD
15,420 VPD



**RITE
AID**

Store to be Rebranded

Walgreens



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Office: (212) 430-5180

Cell: (646) 799-1419

E-mail: christopher.pappas@marcusmillichap.com

License: NY: 10401300636

