

\$150,000 Fee to Buyer's Broker



Walgreens

CHESTER, MD

\$7,560,000

6.75% CAP

12+ Year NNN Walgreens on Kent Island in Maryland

- Absolute Net Lease - Zero Landlord Responsibilities
- Affluent Area: Avg. Household Incomes Over \$134,604 Within 5 Miles
- High Barrier to Entry
- University of Maryland Urgent Care Nearby
- Full Walgreens Corporate Guaranty



**DRUGSTORE PROPERTY
ADVISORS**
Experts in Walgreens and CVS Investments

John Giordani
Founder, CEO

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INVESTMENT SUMMARY

WALGREENS #11283

1802 MAIN ST | CHESTER, MD 21619



\$7,560,000

PRICE



6.75%

CAP RATE



\$510,000

ANNUAL RENT



12.7

YRS. GUARANTEED

This is an excellent opportunity for an investor to acquire a freestanding NNN Walgreens in Chester, Maryland on the historic Kent Island. Chester is located 45 miles east of Washington D.C., and is an affluent area where within 5 miles of this Walgreens the average annual household income is \$134,604. The prototypical store is strategically located at the busy signalized corner of Main St. and Dominion Rd. near the University of Maryland Urgent Care and retailers including: Safeway, Kent Island True Value Hardware Store, Big Lots, Sherwin-Williams Paint Store, and more.



DEMOGRAPHICS



POPULATION

1 Mile	3 Mile	5 Mile
2,773	12,525	17,782



AVERAGE HOUSEHOLD INCOME

1 Mile	3 Mile	5 Mile
130,289	131,952	134,604

PROPERTY OVERVIEW



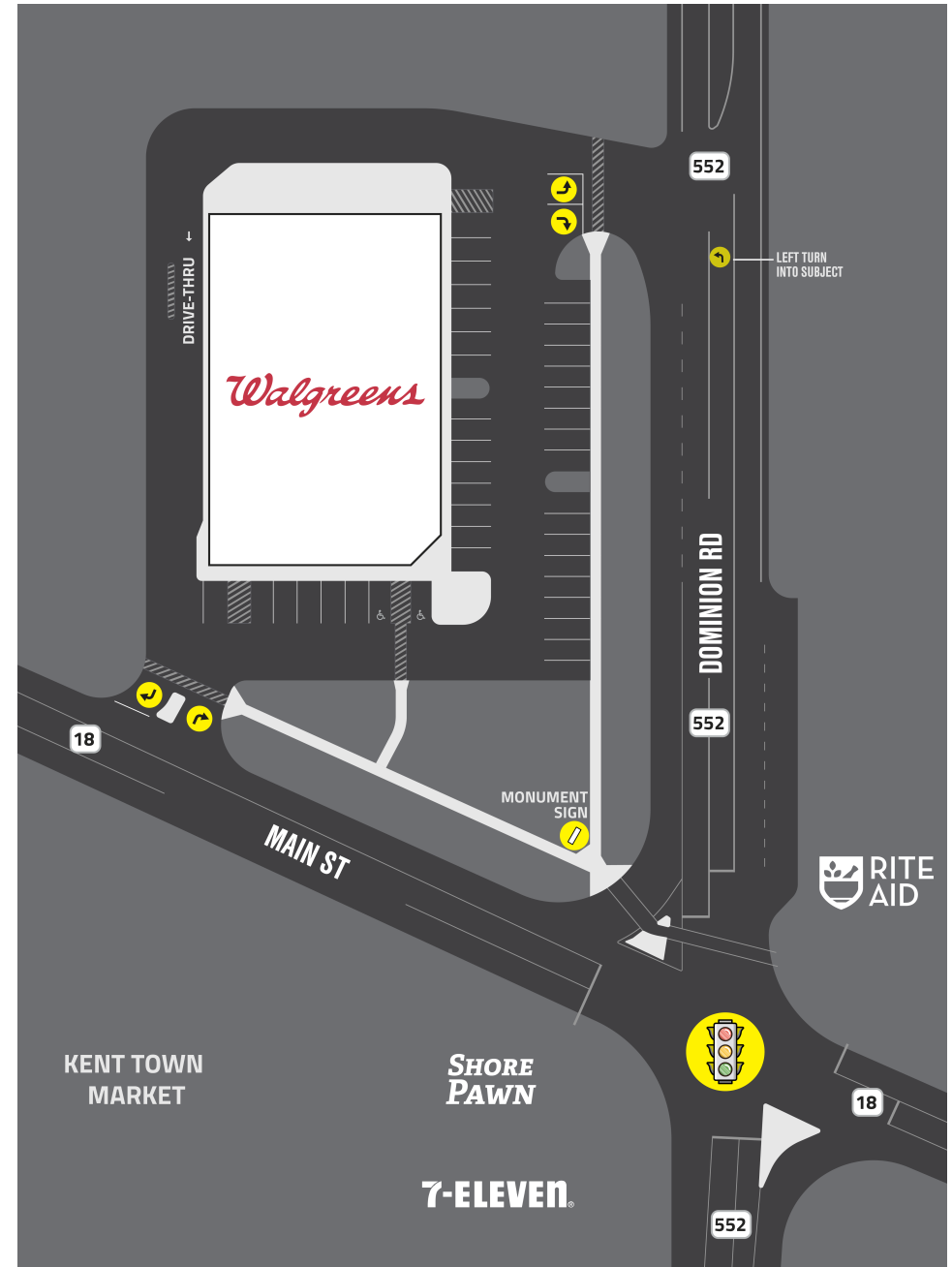
PROPERTY DETAILS

Address:	1802 Main St
Year Built:	2010
Building Size:	14,550 Square Feet
Lot Size:	1.75 Acres
Tenant:	Walgreens



LEASE SUMMARY

Lease Type:	NNN
Landlord Responsibilities:	None
Rent Start Date:	4/19/2010
Lease End Date:	4/30/2035
Termination Options:	50 1-year options to renew after 4/30/2035





CHESTER RIVER

MACUM CREEK

West Marine We make boating more fun! PNC at&t

BLUE STAR MEMORIAL HWY
60,093 AADT

301 50

IHOP sweetFrog

18

CVS pharmacy

M&T Bank

MATTRESS Warehouse

TACO BELL

DQ

SHERWIN WILLIAMS verizon

PIZZA PAPA JOHN'S

301 50

BLUE STAR MEMORIAL HWY

SAFeway

18

MAIN ST
1,841 AADT

BIG LOTS!

301 50

Dollar Tree

MAIN ST

SUBJECT PROPERTY
Walgreens

18

DOMINION RD
4,155 AADT

7-ELEVEN



RITE AID

DOMINION RD

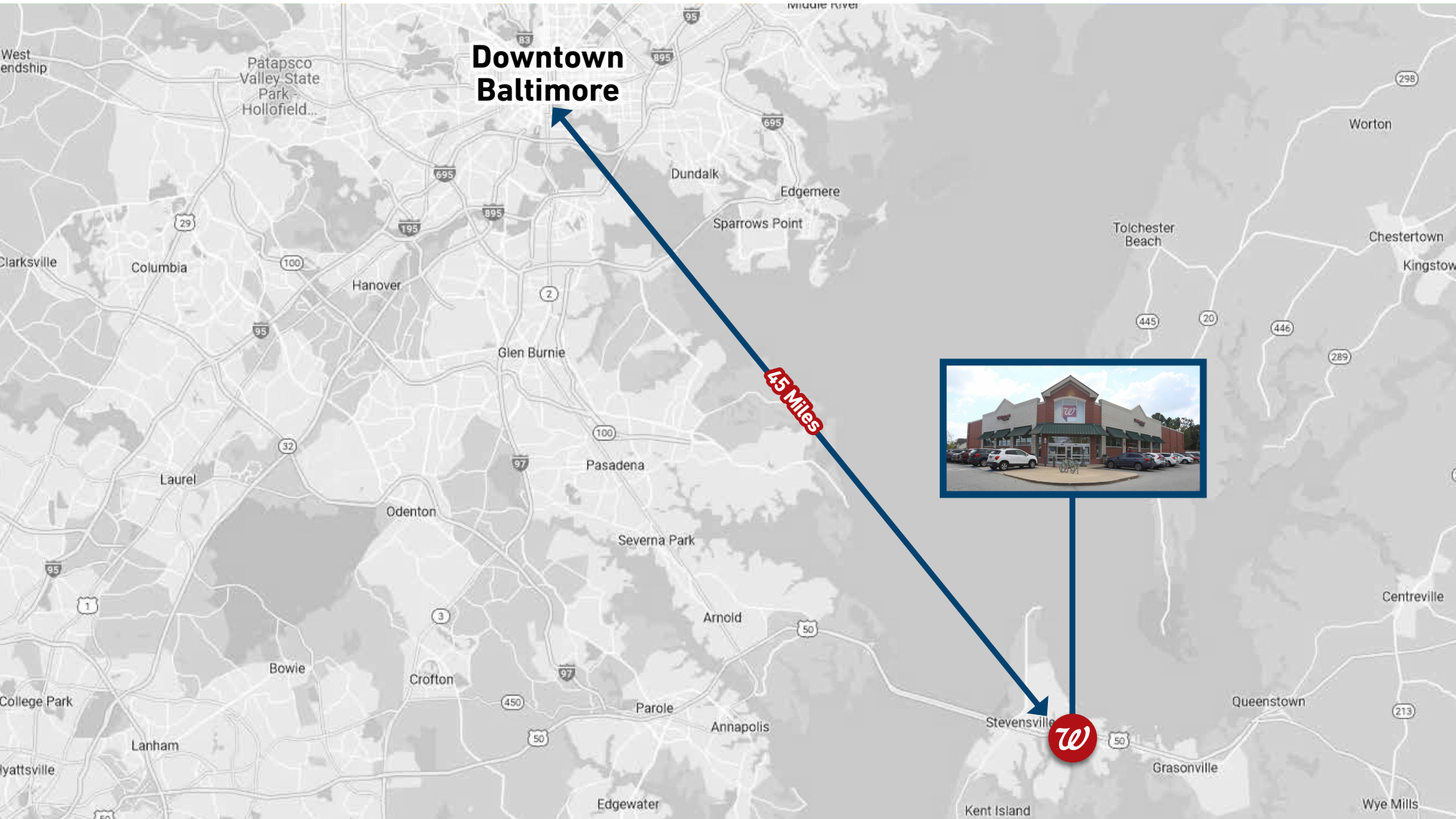
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REGIONAL OVERVIEW



CHESTER OVERVIEW



Credit: Jeff Weese, CC BY 2.0 via Wikimedia Commons



Chester is an affluent suburb with excellent proximity to Baltimore and Washington D.C.



Subject location is located off the Eastern shore of Maryland, across the Chesapeake Bay on the historic Kent Island



Ranked #35 out of 277 best places to retire in Maryland

ABOUT WALGREENS BOOTS ALLIANCE



Walgreens Boots Alliance (NASDAQ: WBA) is the first global pharmacy-led, health and wellbeing enterprise. The Company's heritage of trusted healthcare services through community pharmacy care and pharmaceutical wholesaling dates back more than 100 years.

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 415,000* 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 18,500* 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 addition, Walgreens Boots Alliance is one of the world's largest purchasers of prescription drugs and many other health and wellbeing products. The Company's size, scale, and expertise will help us to expand the supply of, and address the rising cost of, prescription drugs in the U.S. and worldwide.

Walgreens Boots Alliance is included in Fortune magazine's 2018 list of the World's Most Admired Companies. This is the 25th consecutive year that Walgreens Boots Alliance or its predecessor company, Walgreen Co., has been named to the list.

*As of 31 August 2018, using publicly available information for AmerisourceBergen.

**For 12 months ending 31 August 2018, using publicly available information for AmerisourceBergen.



WALGREENS INCOME STATEMENTS TRAILING 5 YEARS

Fiscal year is Sept. – Aug. (All values USD millions)	2017	2018	2019	2020	2021
Sales/Revenue	118.21B	131.54B	136.87B	139.54B	132.51B
Sales Growth	-	11.27%	4.05%	-10.87%	8.63%
Cost of Goods Sold (COGS) Incl, D&A	90.71B	102.52B	108.83B	97.69B	106.37B
COGS Growth	-	13.02%	6.16%	-10.24%	8.88%
COGS excluding D&A	89.05B	100.75B	106.79B	95.91B	104.44B
Depreciation & Amortization Expense	1.65B	1.77B	2.04B	1.78B	1.92B
Depreciation	1.27B	1.28B	1.49B	1.4B	1.4B
Amortization of Intangibles	385M	493M	552M	384M	523M
Gross Income	27.51B	29.02B	28.04B	24.29B	26.14B
Gross Income Growth	-	5.50%	-3.39%	-13.36%	7.62%
	2017	2018	2019	2020	2021
SG&A Expense	21.25B	22.88B	22.91B	20.55B	22.13B
SGA Growth	-	7.70%	0.12%	-10.33%	7.70%
Research & Development	-	-	-	-	-
Other SG&A	21.25B	22.88B	22.91B	20.55B	22.13B
Other Operating Expense	-	-	-	-	-
Unusual Expense	886M	188M	311M	3.1B	959M
EBIT after Unusual Expense	5.37B	(188M)	4.82B	(3.1B)	3.06B
Non Operating Income/Expense	37M	450M	251M	66M	566M
Equity in Affiliates (Pretax)	135M	191M	164M	341M	(1.14B)
Interest Expense	693M	616M	704M	613M	491M
Interest Expense Growth	-	-11.11%	14.29%	-12.93%	-19.90%
Gross Interest Expense	693M	616M	704M	613M	491M
Pretax Income	4.85B	5.98B	4.53B	446M	2B
Pretax Income Growth	-	23.12%	-24.23%	-90.15%	347.31%
Income Tax	760M	998M	588M	339M	667M
Income Tax - Current Domestic	804M	969M	247M	233M	194M
Income Tax - Current Foreign	390M	353M	241M	135M	234M
Income Tax - Deferred Domestic	(330M)	(266M)	155M	(81M)	(56M)
Income Tax - Deferred Foreign	(104M)	(58M)	(55M)	52M	295M
Income Tax Credits	-	-	-	-	-
Equity In Affiliates	8M	54M	23M	31M	627M
Consolidated Net Income	4.1B	5.03B	3.96B	138M	1.96B
Minority Interest Expense	23M	7M	(20M)	(42M)	(39M)
Net Income	4.08B	5.02B	3.98B	180M	1.99B



WALGREENS BOOTS ALLIANCE – SEGMENT STRUCTURE



Walgreens Boots Alliance

THE FIRST GLOBAL PHARMACY-LED, HEALTH
WELLBEING ENTERPRISE IN THE WORLD

Walgreens

A leading drugstore
chain in the USA



The largest retail
pharmacy chain in
Europe

Alliance ™
Healthcare

A leading global
pharmaceutical
wholesaler and
distributor

WALGREENS BOOTS ALLIANCE – RETAIL PHARMACY USA DIVISION

Our Retail Pharmacy USA Division's principal retail pharmacy brands are Walgreens and Duane Reade. Together, they form one of the largest drugstore chains in the U.S., operating 8,100* drugstores in 50* states, the District of Columbia, Puerto Rico and the U.S. Virgin Islands. As of August 2017, approximately 76 percent of the population of the U.S. lives within five miles of a Walgreens or Duane Reade.

We sell prescription and non-prescription drugs, as well as general merchandise, including household items, convenience and fresh foods, personal care, beauty care, photofinishing and candy. We offer our products and services through drugstores, as well as through mail, telephone and online. We also provide specialty pharmacy and respiratory services, and operate retail clinics.

Our services help improve health outcomes for patients and manage costs for payers including employers, managed care organizations, health systems, pharmacy benefit managers and the public sector. Our stores sell branded and own brand general merchandise. In addition, Walgreens has approximately 400 in-store clinic locations throughout the U.S., some of which are operated by the Company and some of which are operated by health system partners.

Prescription drugs account for 69 percent† of sales, while retail products are 31 percent.

Overall, we filled approximately 764 million† prescriptions in fiscal 2017. Adjusted to 30-day equivalents, we filled approximately 990 million prescriptions in fiscal 2017. Third party sales, where reimbursement is received from managed care organizations, government and private insurance, were approximately 98 percent† of prescription sales.

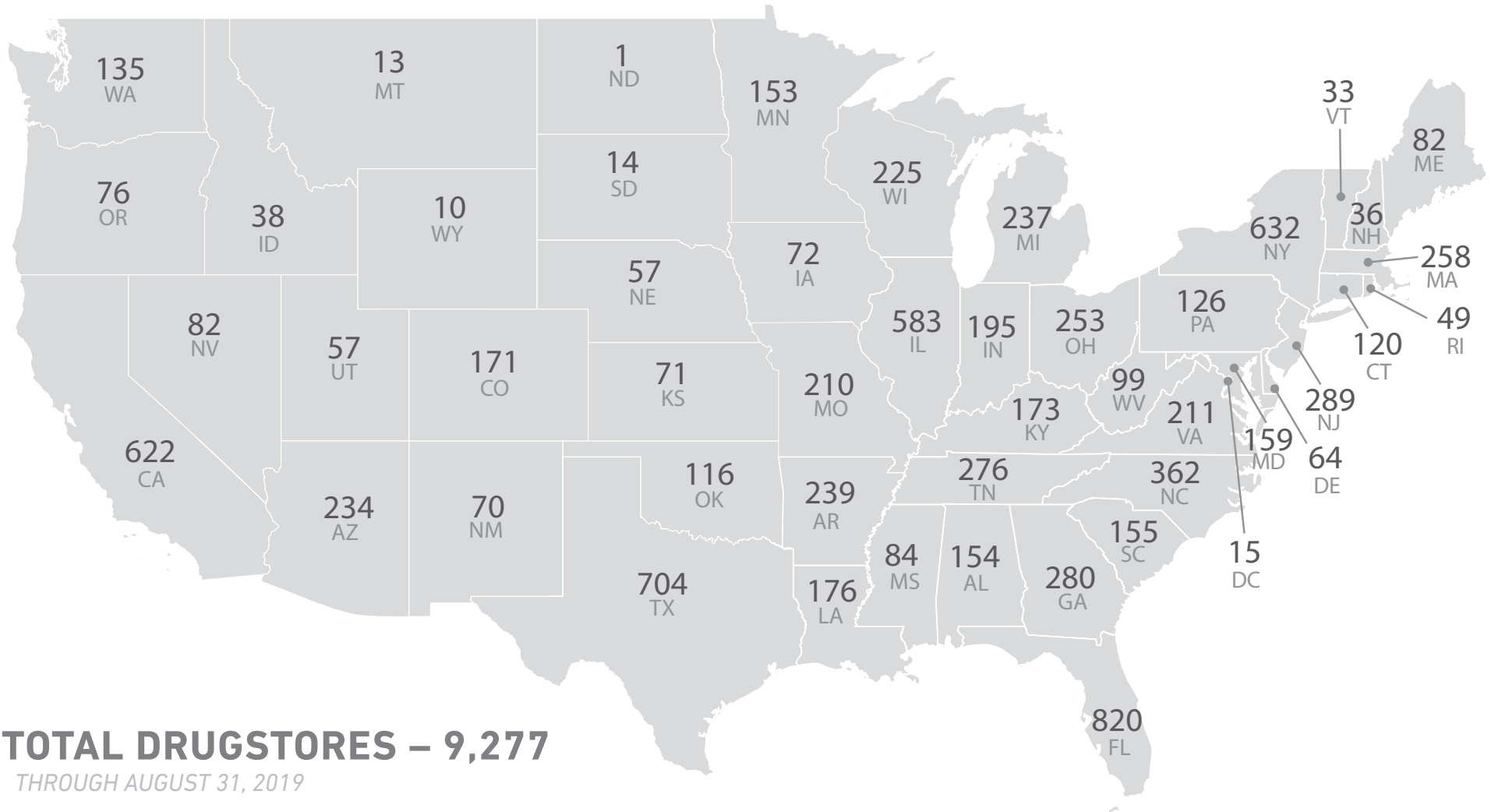
We utilize our extensive retail network as a channel to provide affordable quality health and wellness services to our customers and patients, as illustrated by our ability to play a significant role in providing flu vaccines and other immunizations.

We have more than 78,000* healthcare service providers, including pharmacists, pharmacy technicians, nurse practitioners and other health related professionals. Through them we expect to continue to play a growing role in government and employer efforts to control escalating healthcare costs.

Our loyalty program, Balance® Rewards, is designed to reward our most valuable customers and encourage shopping in stores and online and allows customers the opportunity to earn points for purchasing select merchandise in addition to receiving special pricing on select products when shopping with a rewards card. Customers have the ability to instantly redeem rewards at our stores or through Walgreens.com. We had 88 million Balance® Rewards active members as of August 2017.

The Division's strategy is designed to further transform our traditional drugstore by offering ultimate convenience, driving the best customer loyalty and delivering extraordinary customer and patient care. We seek to expand our product and service offerings across new channels and markets where, in addition to our stores, customers and patients can utilize our health system pharmacies, Walgreens.com, mobile applications and social media sites.

WALGREENS DRUGSTORES NATIONWIDE BY STATE



TOTAL DRUGSTORES – 9,277

THROUGH AUGUST 31, 2019

Includes all 50 states, the District of Columbia, Puerto Rico and U.S. Virgin Islands

Note: Approximately 400 Walgreens stores offer Healthcare Clinic or other provider retail clinic services.

DEMOGRAPHICS

	1 mile	3 miles	5 miles
Population			
2000 Population	2,001	9,960	14,310
2010 Population	2,500	11,453	16,446
2021 Population	2,773	12,525	17,782
2026 Population	2,953	13,191	18,618
% Change 2010 to 2021	10.92%	9.36%	8.12%
% Change 2021 to 2026	6.49%	5.32%	4.70%
Households			
2000 No. Households	866	3,960	5,513
2010 No. Households	1,066	4,644	6,408
2021 No. Households	1,194	5,123	6,997
2026 No. Households	1,275	5,420	7,359
% Change 2010 to 2021	12.01%	10.31%	9.19%
% Change 2021 to 2026	6.78%	5.80%	5.17%
Average Household Income			
2000 Avg Household Income	\$73,010	\$71,287	\$70,807
2021 Avg Household Income	\$130,289	\$131,952	\$134,604
2026 Avg Household Income	\$137,547	\$138,799	\$141,569
% Change 2000 to 2021	78.45%	85.10%	90.10%
% Change 2021 to 2026	5.57%	5.19%	5.17%
Income Ranges			
Median Income	\$99,684	\$103,782	\$104,761
\$500,000+	3.01%	3.05%	3.21%
\$200,000 to \$499,999	10.13%	9.61%	10.17%
\$150,000 to \$199,999	12.72%	11.48%	11.96%
\$125,000 to \$149,999	11.05%	12.71%	12.26%
\$100,000 to \$124,999	12.89%	15.47%	15.28%
\$100,000 to \$149,999	23.93%	28.18%	27.54%
\$75,000 to \$99,999	13.39%	13.57%	13.51%
\$50,000 to \$74,999	12.38%	13.18%	13.17%
\$35,000 to \$49,999	9.46%	8.57%	8.06%
\$25,000 to \$34,999	5.02%	4.47%	4.31%
\$15,000 to \$24,999	5.61%	4.06%	3.84%
Under \$15,000	4.35%	3.81%	4.23%
2000 Median Income	\$58,293	\$61,571	\$61,142
2026 Median Income	\$106,224	\$109,189	\$110,124
Occupancy			
2021 Occupied Housing Units	1,194	5,123	6,997
% Owner Occupied	74.24%	78.52%	79.23%
% Renter Occupied	25.76%	21.48%	20.77%



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All information provided is deemed reliable, but is not guaranteed and should be independently verified.



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