



ACTUAL PROPERTY

Financial Overview

1201 Unser Boulevard South West - ALBUQUERQUE, NEW MEXICO 87121

Offering Summary

PRICE \$5,061,538

CAP RATE 6.50%

NOI \$329,000

PRICE PER SQUARE FOOT \$347.63

RENT PER SQUARE FOOT \$22.60

YEAR BUILT 2003

APPROXIMATE LOT SIZE 2.23 Acres

GROSS LEASEABLE AREA 14,560

TYPE OF OWNERSHIP Fee Simple

LEASE GUARANTOR Corporate Guaranty

LEASE TYPE Absolute-Net

ROOF AND STRUCTURE Tenant Responsible

Lease Summary

LEASE COMMENCEMENT DATE 10/1/2003

LEASE EXPIRATION DATE 7/31/2028

LEASE TERM 25 Years

TERM REMAINING 11 Years

INCREASES None

OPTIONS TO RENEW 10, 5-Year Options

FIRST RIGHT OF REFUSAL Yes



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Investment Overview

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Marcus & Millichap is pleased to present this 14,560-square foot Walgreens in Albuquerque, New Mexico; which is the state's largest city. Walgreens is operating under an absolute-net lease with zero landlord responsibilities. There are 11 years remaining on the original 25-year lease along with 10, five-year renewal options. The lease is backed by a corporate guaranty from Walgreen Co, which was ranked number 17 on the June 2017 Fortune 500 List. The company registered \$117.3 billion in sales across more than 8,200 locations in 2016.

This Walgreens boasts strong real estate fundamentals. The asset is situated at the signalized, hard corner intersection of Unser Boulevard and Arenal Road/ Sapphire Street. The intersection sees more than 17,500 vehicles daily. This dense residential infill location has more than 174,000 people within five miles.

The Albuquerque Metropolitan Redevelopment Agency is aggressively pursuing Requests For Proposals (RFPs) to spur economic growth in the traditionally underserved southwest district of the city. Less than two miles from the subject property is the \$8 million Sunset Gardens Development. This mixed-use project calls for office, retail, and restaurant uses. The retail component will be grocery-anchored with more than 65,000 square feet of total retail space.

Additional tenants in the immediate vicinity include: Walmart, McDonald's, Subway, AutoZone, Burger King, Dollar Tree, Circle K and More.

- **Walgreens in Albuquerque | New Mexico's Most Populous City**
- **Absolute-Net Lease With 11 Years Remaining | Zero Landlord Responsibilities**
- **Corporate Guaranty | NASDAQ: WBA | Number 17 on Fortune 500 (June 2017) | Standard & Poor (S&P): BBB**
- **Strong Real Estate Fundamentals | Signalized, Hard Corner Intersection of Unser Boulevard and Arenal Road/Sapphire Street | More Than 17,500 Vehicles Per Day**
- **Dense Residential Infill Location | More Than 174,000 People in Less Than Five Miles of Subject Property**
- **Southwest Albuquerque Strong Appreciative Potential | Albuquerque Metropolitan Redevelopment Agency Aggressively Pursuing Requests For Proposals (RFPs) to Sell Off City-Owned Land on Unser Boulevard**
- **Walgreens is Less Than Two Miles from Sunset Gardens Development Project | \$8 Million Mixed Use Project Featuring Office, Retail, and Restaurant Uses**
- **Additional Tenants in the Immediate Vicinity Include: Walmart, McDonald's, Subway, AutoZone, Burger King, Dollar Tree, Circle K and More.**



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Tenant Overview - WALGREENS

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Founded in 1901, Walgreens Boots Alliance, Incorporated is the nation's largest drugstore chain. Charles R. Walgreen built the chain from a single drugstore where he created his own drug products. By 1919 there were 20 stores, and in 1927 the Company went public. After Three years, the store count was well over 500. Today, Walgreen operates over 8,200 stores in all 50 states, DC, Puerto Rico and the United States Virgin Islands. More than 400 of its stores offer medical services through its Healthcare Clinics. Additionally, the Company operates digital businesses that include: Walgreens.com, drugstore.com, Beauty.com, SkinStore.com and VisionDirect.com.

In December 2014, Walgreen acquired the remaining 55 Percent of European retailer and wholesaler Alliance Boots, and reorganized under a holding company called Walgreens Boots Alliance, Incorporated; headquartered in Chicago. The Walgreen chain now constitutes the Retail Pharmacy United States of America Division of Walgreens Boots Alliance, Incorporated.

In October 2015, Walgreens Boots Alliance announced an agreement to acquire all outstanding shares of Rite Aid for \$9.00 per share in cash, for a total enterprise value of about \$17.20 billion, including acquired net debt. After failure to obtain Federal Trade Commission approval, Walgreens announced in June 2017 to formally end the merger agreement, and will instead pay \$5-billion to purchase 2,186 Rite Aids. After the new transaction closes, the company will convert most of those Rite Aids to the Walgreens brand. Walgreens expects the new transaction to be modestly accretive to adjusted diluted net earnings per share in the first full year after the initial closing and expects to realize more than \$400 million in cost savings within three to four years, primarily from procurement, cost savings and other operational issues.

TENANT PROFILE

TENANT TRADE NAME	Walgreens Boots Alliance, Incorporated
OWNERSHIP	Public
TENANT	Corporate Store
LEASE GUARANTOR	Corporate Guarantee
NUMBER OF LOCATIONS	8,175+
HEADQUARTERED	Deerfield, Illinois
WEB SITE	www.walgreens.com
SALES VOLUME	\$117.3-Billion (2016)
NET WORTH	\$30.2-Billion (2016)
STOCK SYMBOL	WBA
BOARD	NASDAQ
CREDIT RATING	BBB
RATING AGENCY	Standard & Poor (S&P)
RANK	Number 17 on Fortune 500 (June 2017)

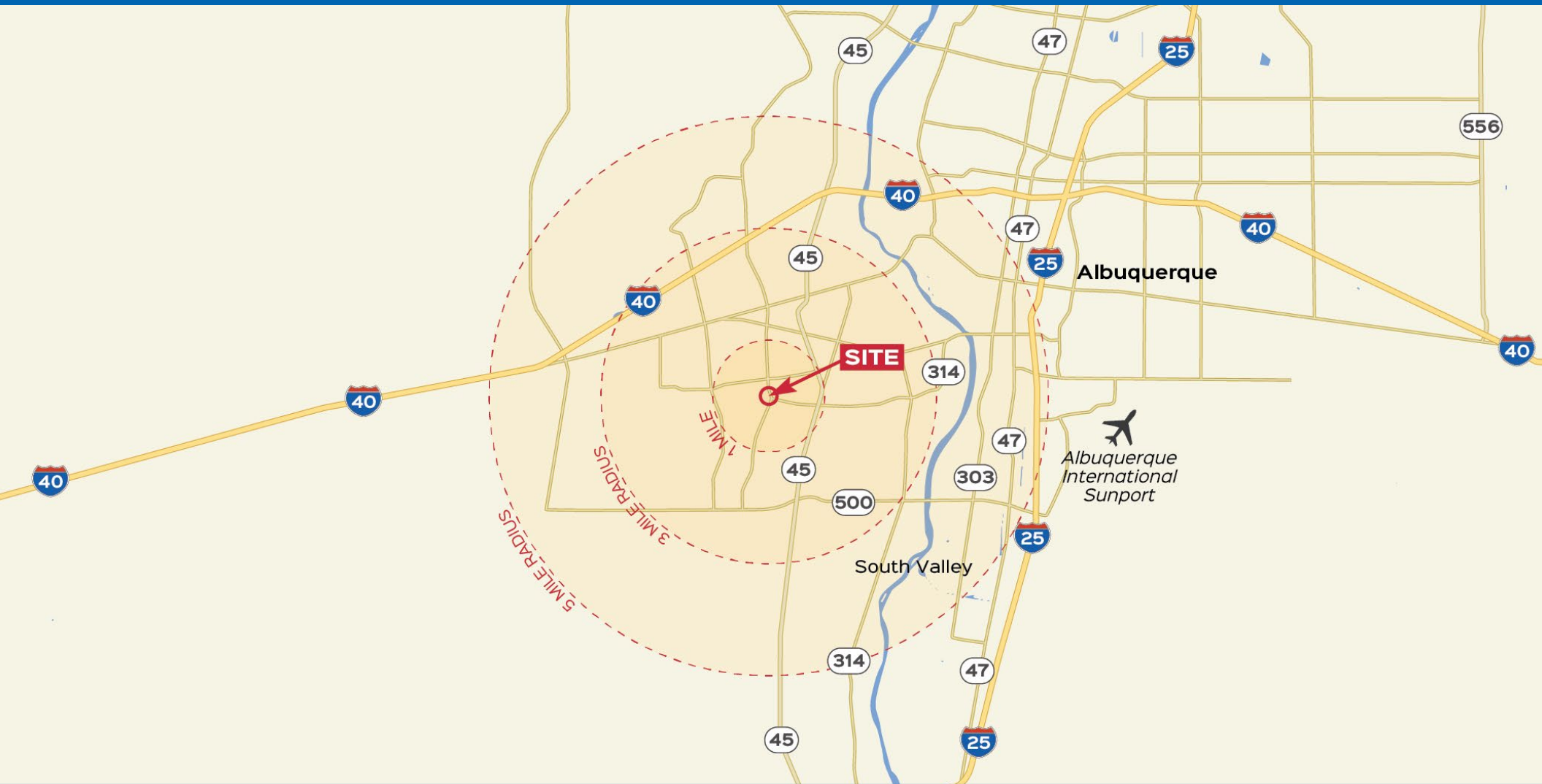
Aerial Overview

1201 Unser Boulevard South West - ALBUQUERQUE, NEW MEXICO 87121



Area Overview & Demographics

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	1-Mile	3-Mile	5-Mile
Population			
2000 Population	10,052	61,670	125,602
2010 Population	20,623	99,536	171,215
2017 Population	20,314	101,258	174,035
2022 Population	20,331	101,977	175,243

	1-Mile	3-Mile	5-Mile
Households			
2000 Households	2,984	19,774	42,978
2010 Households	5,918	31,312	58,607
2017 Households	5,823	31,824	59,480
2022 Households	5,827	32,045	59,872

	1-Mile	3-Mile	5-Mile
Household (HH) Incomes			
2017 Average HH Income	\$50,644	\$51,525	\$53,969
2017 Median HH Income	\$43,013	\$41,710	\$41,831
2017 Per Capita Income	\$14,517	\$16,194	\$18,445

Market Overview - Albuquerque, New Mexico

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Albuquerque is the most populous city in New Mexico. The high-elevation city serves as the county seat of Bernalillo County, and it is situated in the north central part of the state, straddling the Rio Grande. The city population was 559,277 as of the July 1, 2016 population estimate from the United States Census Bureau.

Sandia Mountains run along the eastern side of Albuquerque, and the Rio Grande flows through the city, north to south. Albuquerque is also the home of the International Balloon Fiesta, the world's largest such gathering of hot-air balloons from around the globe. The event takes place during the first week of October.

Albuquerque is home to the University of New Mexico (\$393-million endowment), the largest public flagship university in the state. It is New Mexico's largest post-secondary institution in the state with more than 27,300 students and one of the state's largest employers. The university includes a School of Medicine, which was ranked in the top 50 primary care-oriented medical schools in the country.

Albuquerque lies at the center of the New Mexico Technology Corridor, a concentration of high-tech private companies and government institutions along the Rio Grande. Larger institutions whose employees contribute to the population are numerous and include: Sandia National Laboratories, Kirtland Air Force Base, and the attendant contracting companies which bring highly educated workers. Intel operates a large semiconductor factory or "fab" in suburban Rio Rancho, in neighboring Sandoval County, with its attendant large capital investment. Northrop Grumman is located along Interstate-25 in northeast Albuquerque. In January 2007, Tempur-Pedic opened an 800,000-square-foot mattress factory in northwest Albuquerque.



