



Offering
Memorandum

Walgreens

1574 E. Valley Parkway, Escondido, CA

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LOCATION	1574 E. Valley Parkway Escondido, CA 92027
PRICE	\$10,752,000
CAP RATE	4.50%
NET OPERATING INC.	\$483,840
YEAR BUILT	2000
BUILDING SIZE (SF)	15,120
LOT SIZE (AC)	1.30
LEASE TYPE	Fee Simple NNN
LEASE TERM	15-Years
LEASE START	2/6/20
LEASE EXPIRATION	2/28/35
RENT INCREASES	5% every 5-Years (including option periods)
OPTIONS	Twelve 5-Year

- 1. The Lease is a fee simple absolute NNN** with no landlord responsibilities.
- 2. Lease is guaranteed** by Walgreens (S&P BBB) with a 15 year term and rental increases of five percent (5%) every five years, including option periods.
- 3. Property is located** at the corner of N. Rose Street and Valley Parkway with a traffic count of 27,557 vehicles per day.
- 4. Situates along a dense retail corridor** of over 200 retail stores and restaurants. National retailers and restaurants adjacent to this property include The Home Depot, Walmart, Big Lots, Citibank, Burger King, AutoZone, Starbucks, Popeyes and Chevron and many more retailers in the extended area.
- 5. Located in Escondido, CA** in San Diego County's North County region. With a population of 150,000 and an average home price of \$528,000, the city is rated towards the top of one of the "best places to live in "America".
- 6. This Walgreens is 5 miles** from the Palomar Medical Center Escondido. The hospital is a 56-acre campus with 288 private rooms, 44 emergency and trauma rooms, and 11 operating rooms.



Tenant Overview

Walgreens, and its holding company Walgreens-Boots Alliance, Inc. is headquartered in Deerfield, Illinois. Walgreens became a subsidiary of the holding company in 2014 to establish unmatched supply chain and procurement expertise, offering customers innovative solutions and optimal efficiencies.

With over 9500 US locations Walgreens is one of the nation's largest drugstore chains, and the first global health and well being enterprises comprising over 18,750 locations in 11 countries. Every day Walgreens touches the lives of over 10 million customers in stores and online.

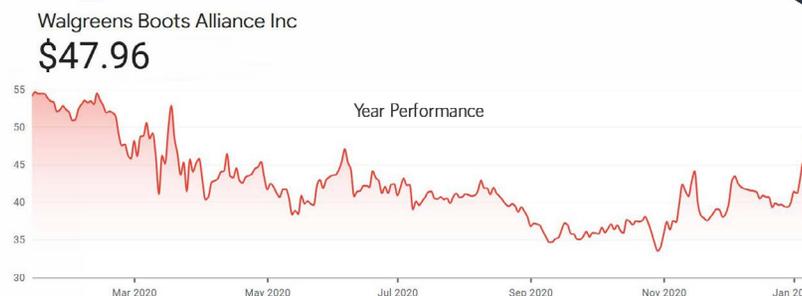
Walgreens is a trusted wellness provider that supplies customers, patients, and payers with everything from acute prescriptions and vaccinations to specialty pharmaceuticals and wellness services. Recent initiatives include:

A strategic partnership with Microsoft and Adobe providing a digital experience and customer insights platform offering access to products and services from the company's global pharmacy and retail businesses.

Opening of 600 Village Medical primary care clinics at Walgreens stores in more than 30 U.S. markets within the next four years. The plan is to build hundreds more thereafter.

“On the spot” drive-thru shopping providing customers with select household essential and health & wellness products online in advance and then pay for and pick them up at Walgreens.

Sales of a majority-portion of Walgreens-Boots-Alliance wholesale pharmacy operations to Alliance Healthcare in a move to help grow their core pharmacy and healthcare businesses.



CREDIT RATING S&P BBB

REVENUE 2019 \$139 Bil

TOTAL ASSETS \$87 Bil

OF LOCATIONS 9560

EMPLOYEES 415,000+

HEADQUARTERS Deerfield, IL

GROCERY OUTLET

Neighborhood Health Care

Walgreens

E. VALLEY PARKWAY 27,557 VPD

N. ROSE ST. 16,655 VPD

POPEYES

Mobil

Chevron

DEL TACO

Nearby Retail



VIVA
BUTCHER SHOP

LAWN MOWER
REPAIR

WRANGLER
BBQ

Aragusa's
Sandwiches

Senior
Taquito

Price
Liquor

WING STOP

Neighborhood
Healthcare

GROCERY
OUTLET

Mobil

BURGER
KING

MISSION
FEDERAL CREDIT UNION

ROSS
DRESS FOR LESS

The Cabanna

Galaxy
Shoe

Jack in the box®

DEL TACO

FALLAS
DISCOUNT STORES

East Valley Parkway

Mirin Cafe

POPEYES

PHO LENA
GRILL

BIG LOTS!

STARBUCKS
COFFEE

Auto
Zone

citibank

ALBERTOS

CHASE

Walmart

THE HOME
DEPOT

Albertsons
Companies

Chevron

Escondido

SOUTHERN CALIFORNIA OASIS

Located just 30 miles northeast of downtown San Diego and 20 minutes from the coast, Escondido is home to major attractions, beautiful wineries, craft breweries, unique arts and theatre, delicious culinary experiences and a charming historic downtown. Beautiful climate with year-round golfing, hiking, biking, fishing, and events!

ACTIVITIES AND EVENTS

California Center for the Arts, San Diego Zoo Safari Park, Queen Calafia's Magical Circle, San Diego Children's Discovery Museum, Daley Ranch-wilderness preserve, Extensive hiking, biking and equestrian trails, Casinos, Golfing.

EXPANSIVE SHOPPING OPTIONS

Escondido delivers the best of old and new shopping destinations. The historic downtown shops feature independent retailers, multiple farmers markets and open air markets exist all year around. The Valley Parkway retail strip (home to Walgreens) provides a wealth of general merchandise and specialty retails along with banks, offices and all support services.

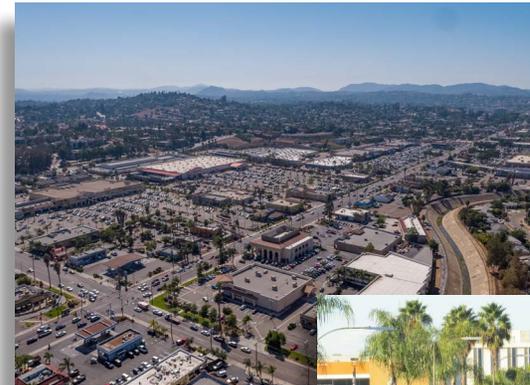
ROBUST TRAFFIC COUNTS NEAR WALGREENS

Recent studies show stable retail traffic for this property;

North Rose Street: 31,354 average daily auto volume

East Valley Pkwy: 27,557 average daily auto volume

2018 statistics



Escondido

CALIFORNIA POPULATION GROWTH POSITIVE

California population continues to grow at a estimated rate of roughly 7-8% This steady growth is sustainable and ensures a robust population for maintaining property values.

NON COASTAL CITIES IN HIGHER DEMAND

As California grows the demand for prime coastal space has driven more of the population slightly inland. People desire to move away from larger cities, traffic and crime in addition to affordable home prices. This places Escondido as a desirable location for years to come.

STRONG ESCONDIDO GROWTH WILL TAPER OFF

Population growth in the Escondido area between 2010-20 has been rising steady at 8.38% which is a great sign for retailers. Predictions are for reduced pace growth in the coming decade.

DEMOGRAPHIC TRENDS FAVOR DRUG-PHARMA

The number of Americans ages 65 and older will more than double over the next 40 years which will result in an ever increasing demand for prescriptions, local medical supplies, and supplemental retail merchandise. This places retailers such as Walgreens in an advantageous position and poises them for stability and growth for the future.

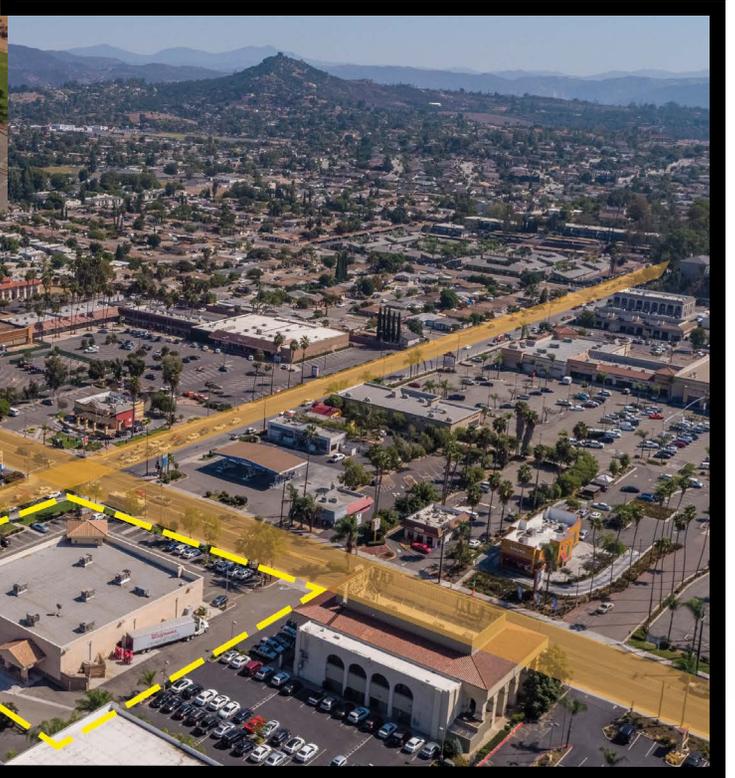


RADIUS	1-MILE	3-MILE	5-MILE
Population:	40,009	135,530	190,564
5-Year Population Growth Projection:	0.6%	0.7%	0.7%
Households:	10,878	40,946	60,757
Average HH Income:	\$65,888	\$77,904	\$91,509
Median HH Income:	\$49,940	\$65,467	\$65,321

Image Gallery



Looking West



Looking East

Image Gallery



Disclaimer

The information contained herein does not purport to provide a complete or fully accurate summary of the Property or any of the documents related thereto, nor does it purport to be all-inclusive or to contain all of the information which prospective buyers may need or desire. We cannot assume responsibility for its accuracy.

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