

ABSOLUTE NNN | 10.75 YEARS REMAINING | NEAREST PHARMACY TO MEMORIAL HOSPITAL

Walgreens

Owosso, MI





Walgreens

1001 East M-21
Owosso, MI 48867

BLAKE TAGMYER
Executive Director
+1 858 558 5670
blake.tagmyer@cushwake.com
CA License No. 01912759

BRANDON PRICE
Senior Director
+1 858 558 5673
brandon.price@cushwake.com
CA License No. 01822998

IAN M. MACLACHLAN
Associate
+1 858 956 1455
ian.maclachlan@cushwake.com
CA License No. 02195320

ALLISON ABRAMS
Brokerage Coordinator
+1 858 546-5466
Allison.Abrams@cushwake.com
CA License No. 02192357

*Listed in conjunction with Michigan Broker of Record:
Brian Brockman | Bang Realty-Michigan, Inc. | License #6502428679*

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12830 El Camino Real, Suite 100
San Diego, CA 92130
United States

01



Offering

Investment Highlights
Executive Summary



INVESTMENT HIGHLIGHTS

THE OFFERING

Built in 2008, this freestanding Walgreens drug store with drive-thru is 14,820 SF and situated on 1.77 acres along 1001 East Main Street (Highway-21) in Owosso, Michigan. Walgreens' 25-year lease expires in October of 2033, leaving approximately 10.75 years remaining on the initial lease term.

Price: \$4,918,519 Cap Rate: 6.75%

LEASE /TENANT

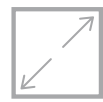
- **Walgreens Co. (NASDAQ: "WBA") is rated "BBB" investment grade by Standard & Poor's** – over \$148.5 billion in annual revenue and market cap of \$41.82 billion
- **Absolute NNN Lease Structure** – Zero landlord responsibilities for operating or capital expenses
- **Corporate Backed Long-Term Lease** – Walgreens signed a 25-year lease, which commenced in 2008, leaving approximately 10.75 years on the lease term
- **Long-Term Historical Tenancy**– Walgreens has successfully operated at subject property for almost a decade
- **Strategic Location with Limited Competition (see page 21)** – only Walgreens in the city of Owosso with only 1 other national pharmacy chain in a five-mile radius.
- **Walgreens is ranked #45 on the 2022 Fortune 500 list** – over 9,000 stores and 258,500 employees operating in all 50 states



2008
Year Built



14,820 SF
Building Size



±1.77 ACRES
Lot Size

REAL ESTATE /AREA STRENGTHS

- **Signalized hard corner location along area's main retail and traffic corridor** – excellent exposure at the intersection of East Main Street (Highway-21) and N Gould Street with combined traffic counts in excess of 25,530 vehicles
- **Prominent Retail Location Adjacent to Walmart Supercenter and Home Depot** – other traffic generators in the immediate area include Aldi, Planet Fitness, Meijer, O'Reilly Auto Parts, AutoZone, Dollar Tree, McDonalds, Sherwin Williams, and many other quick-service restaurants
- **Nearest Pharmacy chain to Memorial Healthcare Hospital (See Page 21)** – voted #1 hospital for emergency care spanning over 28 acres, consisting of three buildings with 161-beds and over 1,400 employees. Other medical centers in the immediate area include Great Lake Bay Health Center, Owosso Medical Group, and Shiawassee Community Health Center, and Fresenius Kidney Care
- **Close-Proximity to Owosso East Plaza** – 197,569 SF community retail center anchored by Kroger. Additional traffic generators in the center include Dunham's Sports, Tractor Supply Co, Pet Supplies Plus, Subway and many more
- **Located along Michigan Highway-21** – This populated thoroughfare connects Owosso to Grand Rapids and provides easy access to Michigan Route 52 (20,477 VPD), Interstate 75 and several other main travel arteries in Michigan
- **Owosso, MI resides in Shiawassee County** – located 30 miles northeast of Lansing, the capital city of Michigan, and 73 miles northwest of Detroit, the most populated city in the state with over 645,000 residents

EXECUTIVE SUMMARY



The subject property is a **14,820 square foot** Walgreens Pharmacy with **drive-thru** located in **Owosso, MI**. Owosso, which is part of Shiawassee County, is located approximately **30 miles northeast of Lansing, the capital city of Michigan**, and **73 miles northwest of Detroit**. Walgreens **signed a 25-year lease, which commenced in October 2008, leaving approximately 10.75 years remaining on the tenant's initial lease term**. The lease is **absolute NNN**, providing for **zero landlord responsibilities**.

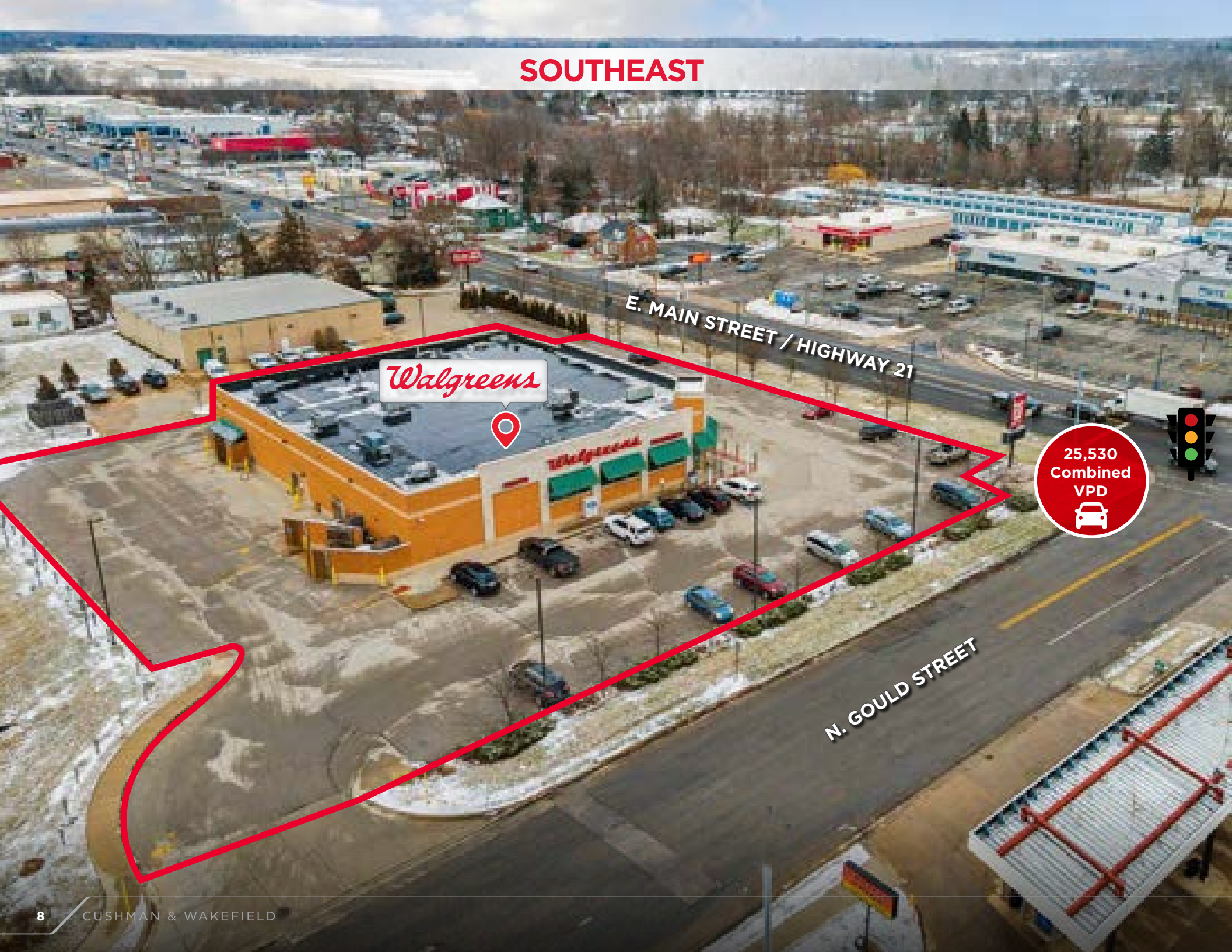
Walgreens, which is **publicly traded** on NASDAQ under the ticker symbol "WBA", has a current **"BBB" investment grade** credit rating by Standard & Poor's and reported annual **revenues of over \$148.5 billion** in 2021. Walgreens is also **ranked #45 on the Fortune 500 list**.

Located at the **signalized intersection** of East Main Street (**Highway-21**) and N Gould Street, the subject property is **well positioned and easily accessible along the area's main traffic arteries** with combined daily traffic counts **in excess of 25,530 vehicles**. East Main Street, which serves as the **area's main commercial corridor**, offers a critical mass of both necessity and specialty retailers that serves the area's growing community. Walgreen's is conveniently located **near Owosso East Plaza, a 197,569 square feet** community retail center **anchored by Kroger**, featuring additional national tenancy such as **Tractor Supply Co, Dunham's Sports, Pet Supplies Plus and Subway**. **Additional traffic generators** in the immediate area include **Walmart Supercenter, Home Depot, Aldi, Planet Fitness, Meijer, O'Reilly Auto Parts, AutoZone, Dollar Tree, McDonalds, Sherwin Williams, and many other quick-service restaurants**.

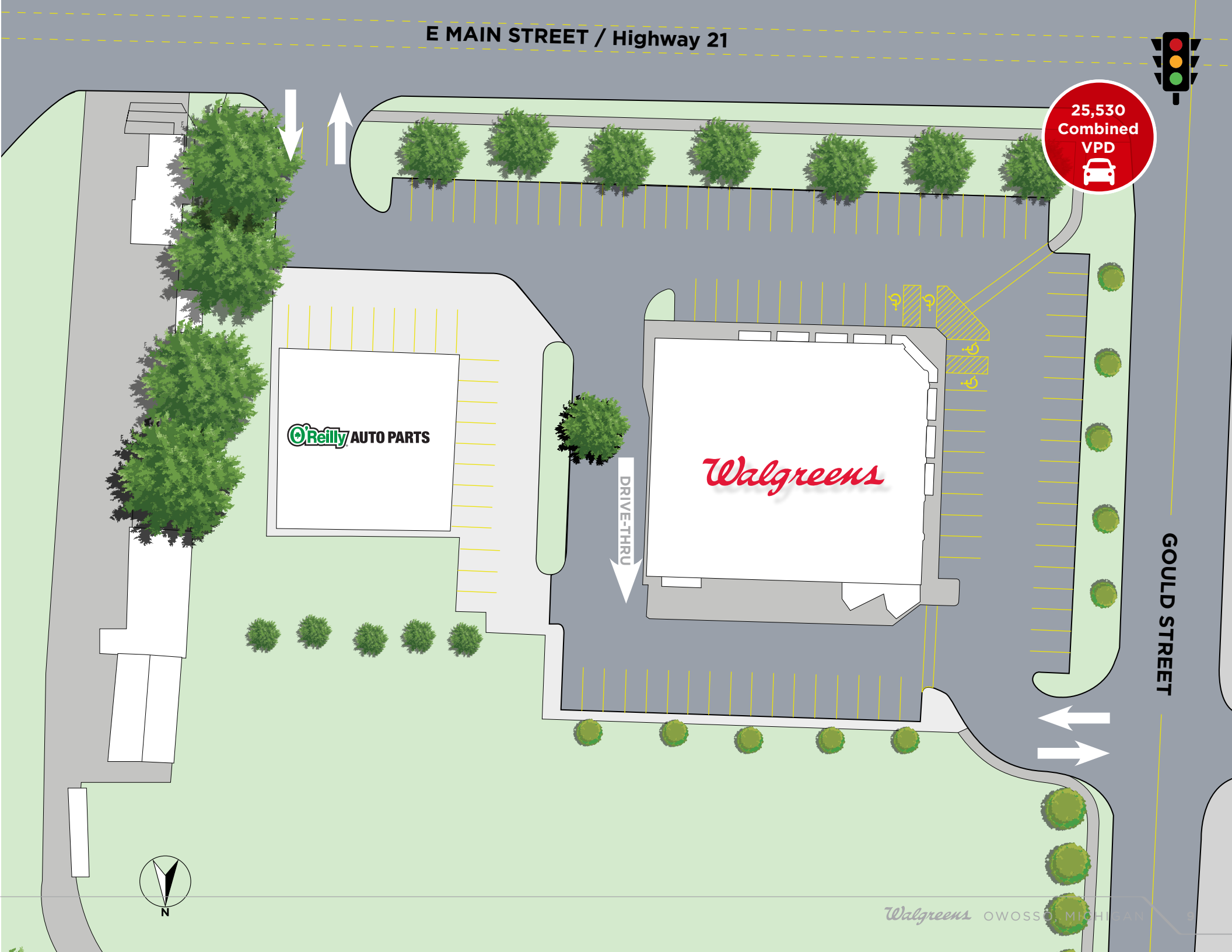
The subject property also **benefits from limited competition** as the **only Walgreens in the city of Owosso**, and the **closest Walgreens (and national pharmacy chain)** to **Memorial Healthcare Hospital**. The **161-bed hospital** spans over **28 acres**, includes **three buildings** and over **1,500 employees** making it the **largest employer** in Shiawassee county. The hospital was voted the **best hospital for emergency care** and recently completed construction on a **\$40M build-out** creating an **additional 104,000 SF**. Other medical centers in the immediate area include Great Lake Bay Health Center, Owosso Medical Group, and Shiawassee Community Health Center providing a strong customer base for the subject property.

With Walgreen's location along East Main Street, just **east of the city center**, the retailer provides pharmacy services to the city as well as easy access to nearby traffic arteries that **connect it to Detroit, Grand Rapids, Ann Arbor, and beyond**. The surrounding area has a population of **31,786 within a 7-mile radius**, which includes approximately **15,000 housing units** serving as a customer base for the subject property.

SOUTHEAST



E MAIN STREET / Highway 21



**25,530
Combined
VPD**

GOULD STREET

EAST



SOUTHWEST



02

Financials

Lease & Pricing Summary





Walgreens

1001 East M-21
Owosso, MI 48867



\$4,918,519
Price



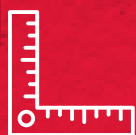
6.75%
Cap Rate



2008
Year Built



FEE SIMPLE
Ownership Type



14,820 SF
Building Size



±1.77 ACRES
Lot Size

LEASE SUMMARY

Tenant Walgreens Co

Lease Type Absolute NNN

Landlord Responsibilities None

Lease Term 25 Years

Lease Commencement 10/06/2008

Lease Expiration 10/31/2033

Remaining Lease Term 10.75 Years

Termination Options 50, 1-Year Options

Rent Increases Flat

ROFR Yes — 21 days

RENT SCHEDULE

Period	Annual Base Rent	Monthly Base Rent
Current - 10/31/2033	\$332,000.04	\$27,666.67
Options 1-50 (1 Year)	\$332,000.04	\$27,666.67



03

Tenant

Tenant Overview



Walgreens



TENANT OVERVIEW

Need content if change are needed

Walgreens Boots Alliance is a trusted global innovator in retail pharmacy

Walgreens Boots Alliance, DBA Walgreens, (Nasdaq: WBA) is an integrated healthcare, pharmacy, and retail leader serving millions of customers and patients every day. There are over 13,000 stores and 315,000 employees across nine countries that specialize in filling prescriptions, health and wellness products, health information, and photo services. Walgreens Boots Alliance 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 170 years.

Walgreens Boots Alliance is a global leader in retail pharmacy. Anchored by iconic brands, Walgreens in the U.S. and Boots in Europe and Asia, the company meets customer needs through convenient retail locations, digital platforms and health and beauty products, while evolving the future of healthcare delivery by implementing innovative offerings to customers and patients. WBA's portfolio of retail and business brands also includes Duane Reade, the No7 Beauty Company, Benavides in Mexico and Ahumada in Chile. Additionally, WBA has a portfolio of healthcare-focused investments located in several countries, including China and the United States.

The company is proud of their contributions to healthy communities, a healthy planet, an inclusive workplace, and a sustainable marketplace. WBA has been recognized for its commitment to operating sustainably: it is an index component of the Dow Jones Sustainability Indices (DJSI) and was named to the 100 Best Corporate Citizens 2021.

Walgreens Boots Alliance is included in Fortune magazine's 2022 list of the World's Most Admired Companies.

BBB "INVESTMENT GRADE"

Credit Rating (Standard & Poor's)



\$148.5B

2021 Revenue

#45

on Forbe's Fortune
500 List

Forbes



315,000

Employees

PUBLIC

Ownership



WBA

Nasdaq Ticker Symbol

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

LIMITED COMPETITION



Memorial Healthcare Hospital

Walgreens is the Nearest National Pharmacy to Memorial Hospital



Dist. (Miles)	Drive Time (Minutes)	Pharmacy	Address
0.08	0.25	Rite Aid	1002 E M 21
0.72	1.84	HealthFirst Pharmacy	111 N Washington St
0.78	2.44	Central Pharmacy Owosso	110 W Exchange St
0.79	2.44	Sobaks Pharmacy Cards & Gifts	211 N Washington St
0.94	1.56	Walmart Pharmacy	1621 E M 21
0.98	2.72	Village Care Pharmacy	427 W Main St
1.74	4.80	Memorial Healthcare Hospital	826 W King St
1.74	4.80	Knight Pharmacy	826 W King St
2.16	3.56	Meijer Pharmacy	2591 E M 21
2.27	5.51	VG's Pharmacy 1932	1341 N M 52
2.63	6.07	Voight's Rexall Pharmacy	151 N Delaney Rd

Local Pharmacies

04

Market

Area Overview
Area Demographics



35 MINUTE DRIVE FROM
THE STATE CAPITAL OF

LANSING



OWOSSO, MICHIGAN

**LOCATED
92 MILES
NORTHWEST
OF THE MOST
POPULOUS CITY
IN THE STATE,
DETROIT**



**INCORPORATION:
1859**



**LARGEST CITY IN
SHIAWASSEE COUNTY,
MICHIGAN**



**HEADQUARTERS OF THE
GREAT LAKES CENTRAL
RAILROAD**

Owosso is the largest city in Shiawassee County, Michigan and was incorporated as a city in 1859. The city is located 92 miles northwest of the most populous city in the state, Detroit, and a 35 minute drive from the state capital of Lansing. Notable attractions in Owosso include the Steam Railroading Institute, Curwood Castle, and the bustling downtown area.

Owosso is the headquarters of the Great Lakes Central Railroad, which provides freight service to Northern and Southern Michigan. It also provides chartered passenger rail service and tours through its association with Lake Central Rail Tours. The Steam Railroading Institute is dedicated to educating the public about steam-era railroad technology and is the product of the Michigan State Trust for Railway Preservation Inc.

James Oliver Curwood, a famous American novelist, was born in Owosso. During the 1920s his books were among the most popular in North America, and many were made into movies. Curwood Castle, built in 1922, was his writing studio and a number of his later works were composed in the tower overlooking the Shiawassee River. The castle now serves as a museum and is open to the public, and is listed on the National Register of Historic Places.

The West Town Historic Commercial and Industrial District is a combination commercial and industrial historic district located along Main Street. It was listed on the National Register of Historic Places in 1980. With the arrival of the Detroit Milwaukee Railway in 1856, followed up two more railway lines in 1867, and a fourth added by the 1880s, neighborhoods were established near the new factories. A small commercial district sprang up on Main Street, known today as the West Town Historic Commercial and Industrial District.

LANSING, MICHIGAN



State Capitol

Lansing is the capital of Michigan, and the third largest MSA in the state. Lansing is centrally located and within 90 minutes of 90% of the state's population. The Lansing metropolitan area, referred to as "Mid-Michigan", is an important center for educations, cultural, governmental, commercial, and industrial functions.

Michigan's state capitol building, located in Lansing, is the only state capitol building designated as a National Historic Landmark. While officially Michigan's Victorian-era capitol building is for government, it boasts hand painted ceilings, walls, columns, and woodwork. East Lansing is home to Michigan State University, a public research university with an enrollment of more than 50,000. The area features two medical schools, one veterinary school, two nursing schools, and two law schools and various state government buildings.

The Lansing metropolitan area's major industries are government, education, insurance, healthcare, and automobile manufacturing. Being the state capital, many state government workers reside in the area. General Motors has offices and hi-tech manufacturing facility in Lansing. The Lansing area is headquarters to four major national insurance companies. The Sparrow Hospital is a 740-bed hospital affiliated with Michigan State University, and is one of the top employers in the area. It offers a Level I Trauma Center and its own helicopter service.

Several urban renewal projects by private developers are adding higher end apartments and condominiums to the Lansing market.

TOP 10 EMPLOYERS

1	State of Michigan 13,880 Employees (Government)	4	General Motors 4,274 Employees (Manufacturing)
2	Michigan State University 10,253 Employees (Higher education)	5	McLaren Health 3,000 Employees (Healthcare)
3	Sparrow Health Systems 9,000 Employees (Healthcare)	6	Auto-Owners Insurance 2,720 Employees (Insurance)

FORTUNE 500 COMPANIES



DETROIT, MICHIGAN



Port of Detroit

Detroit is the largest city in Michigan. The Detroit metropolitan area is the second largest in the Midwest after the Chicago Metropolitan Area. Regarded as a major cultural center, Detroit is known for its contributions to music, art, architecture, and design in addition to its historical automotive background. Time magazine named Detroit as one of the fifty World's Greatest Places of 2022 to explore.

Detroit is a major port on the Detroit River, one of the four major straits that connects the Great Lakes system to the Saint Lawrence Seaway. The City of Detroit anchors the third-largest regional economy in the Midwest, behind Chicago and Minneapolis-Saint Paul. Detroit is best known as the center of the U.S. automobile industry, and the "Big Three" auto manufacturers: General Motors, Ford, and Stellantis North American (Chrysler) are all headquartered in Metro Detroit.

The rapid growth of Detroit in its boom years resulted in a globally unique stock of architectural monuments and historic places. Since the 2000s, conservation efforts have managed to save many architectural pieces and achieved several large-scale revitalizations, including the restoration of several historic theatres and entertainment venues, high-rise renovations, new sports stadiums, and a riverfront revitalization project. In 2015, Detroit was named a "City of Design" by UNESCO, the first U.S. city to receive that designation.

TOP 10 EMPLOYERS

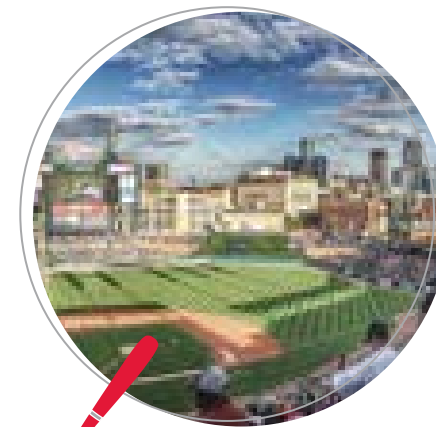
1	Rocket Companies 18,000 Employees (Financial)	6	Detroit Public Schools 6,892 Employees (Education)
2	Stellantis NV 9,263 Employees (Manufacturing)	7	U.S. Government 6,673 Employees (Government)
3	City of Detroit 98,563 Employees (Government)	8	Blue Cross Blue Shield of Michigan/Blue Care Network 5,355 Employees (Insurance)
4	Henry Ford Health System 8,199 Employees (Healthcare)	9	Ilitch Holdings, Inc. 4,830 Employees (Food, Sports, Entertainment)
5	Detroit Medical Center 7,301 Employees (Healthcare)	10	General Motors 4,658 Employees (Manufacturing)

FORTUNE 500 COMPANIES



SPORTS

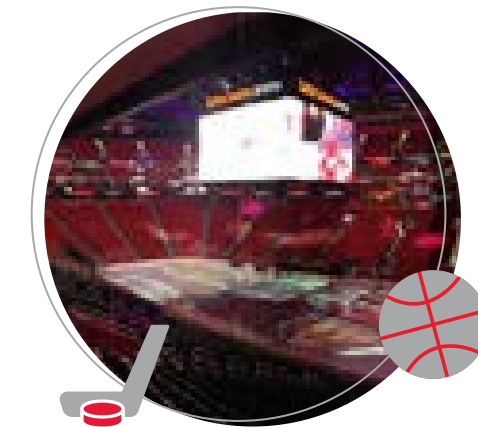
Detroit is home to professional teams representing the four major sports in North America. Detroit is the only U.S. city to have its four major sports teams play within its downtown district. There are four major sports venues in the city: Comerica Park (home of the MLB team the Detroit Tigers), Ford Field (home of the NFL's Detroit Lions), and Little Caesars Arena (home of the NHL's Detroit Red Wings and the NBA's Detroit Pistons).



Comerica Park
MLB's Detroit **Tigers**



Ford Field
NFL's Detroit **Lions**



Little Caesars Arena
NHL's Detroit **Red Wings**
NBA's Detroit **Pistons**

DEMOGRAPHICS

2022 DEMOGRAPHICS

POPULATION	1 Mile	3 Miles	5 Miles	7 Miles
Total Population	8,874	21,467	27,498	31,786
Median Age	37.1	39.5	40.7	41.8
HOUSING				
Total Housing Units	4,325	10,097	12,654	14,444
Occupied Housing Units	87.7%	89.5%	89.9%	90.1%
Vacant Housing Units	12.3%	10.5%	10.1%	9.9%
INCOME				
Income \$ 0 - \$9,999	8.2%	8.3%	7.6%	7.0%
Income \$ 10,000 - \$14,999	6.4%	6.7%	6.4%	6.1%
Income \$ 15,000 - \$24,999	16.5%	13.6%	13.0%	12.4%
Income \$ 25,000 - \$34,999	12.6%	11.5%	10.9%	10.5%
Income \$ 35,000 - \$49,999	17.5%	17.5%	17.2%	16.9%
Income \$ 50,000 - \$74,999	19.1%	19.2%	19.4%	19.6%
Income \$ 75,000 - \$99,999	8.8%	10.1%	11.1%	11.8%
Income \$100,000 - \$124,999	5.1%	6.1%	6.9%	7.4%
Income \$125,000 - \$149,999	1.7%	2.6%	2.9%	3.1%
Income \$150,000 +	4.1%	4.3%	4.8%	5.2%
Average Household Income	\$54,979	\$58,767	\$61,827	\$64,071

2027 PROJECTED DEMOGRAPHICS

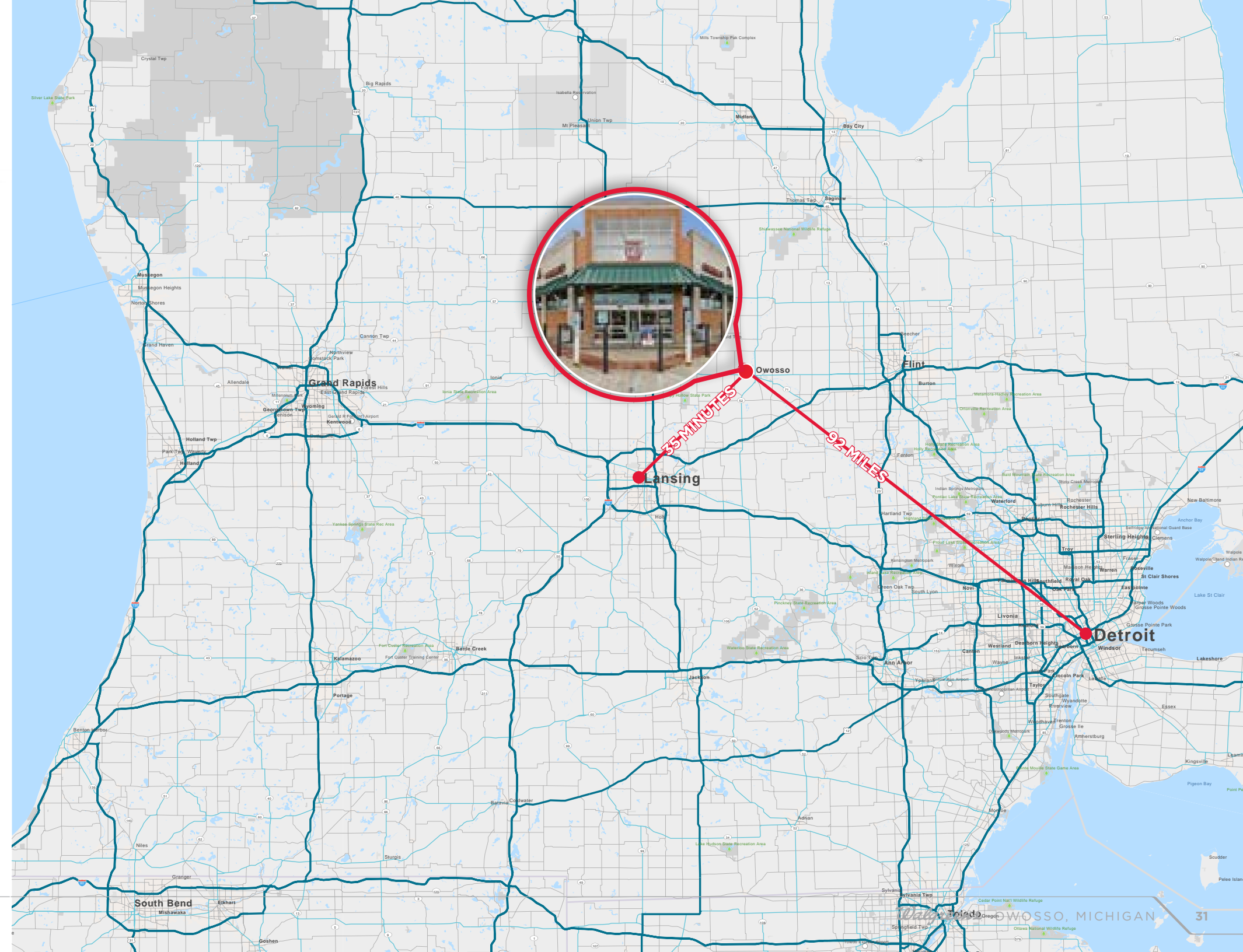
POPULATION	1 Mile	3 Miles	5 Miles	7 Miles
Total Population	8,842	21,256	27,217	31,475
Median Age	37.8	39.9	41.1	42.1
HOUSING				
Total Housing Units	4,371	10,133	12,684	14,476
Occupied Housing Units	87.2%	89.1%	89.5%	89.7%
Vacant Housing Units	12.8%	10.9%	10.6%	10.3%
INCOME				
Income \$ 0 - \$9,999	5.8%	5.8%	5.2%	4.8%
Income \$ 10,000 - \$14,999	6.0%	6.2%	5.8%	5.4%
Income \$ 15,000 - \$24,999	14.1%	11.8%	11.1%	10.6%
Income \$ 25,000 - \$34,999	11.7%	10.3%	9.7%	9.2%
Income \$ 35,000 - \$49,999	15.8%	15.5%	15.0%	14.6%
Income \$ 50,000 - \$74,999	17.9%	17.8%	17.7%	17.8%
Income \$ 75,000 - \$99,999	12.2%	13.2%	14.2%	14.7%
Income \$100,000 - \$124,999	7.7%	8.8%	9.8%	10.4%
Income \$125,000 - \$149,999	3.1%	4.2%	4.7%	5.0%
Income \$150,000 +	5.9%	6.4%	6.9%	7.5%
Average Household Income	\$66,417	\$70,838	\$74,369	\$76,861



27,498
Total Population
within 5 miles



12,684
Total Housing Units
within 5 miles



STATEMENT OF CONFIDENTIALITY & CONDITIONS

This Offering Memorandum is confidential and is furnished to prospective purchasers of the Property described herein subject to the terms of the Confidentiality Agreement previously provided to and executed by such prospective purchasers. This Memorandum is intended solely to assist prospective purchasers in their evaluation of the Property and their consideration of whether to purchase the Property. It is not to be used for any other purpose or made available to any other person without the prior written consent of the Seller of the Property.

This Memorandum was prepared on the basis of information available to the Seller and to Cushman & Wakefield, Inc., the Seller's exclusive agent in connection with the sale of the Property. It contains pertinent information about the Property and the surrounding area but it does not contain all the information necessary for a complete evaluation of the Property. The projected cash flow and other financial information contained herein are for reference only.

Although the information contained in this Memorandum is believed to be accurate and reliable, neither the Seller nor its exclusive agent guarantees its accuracy or completeness. Because of the foregoing and because the Property will be sold on an "as is" basis, prospective purchasers should make their own independent assessments, investigations, and projections regarding the Property. Although additional material, which may include engineering, environmental,

or other reports, may be provided to certain prospective purchasers as appropriate, such parties should confer with their own engineering and environmental experts, counsel, accountants and other advisors. The Seller expressly reserves the right, in its sole discretion, to reject any offer to purchase the Property or to terminate any negotiations with any party at any time, with or without notice. The Seller shall have no legal commitment or obligation to any prospective purchaser unless and until a written Purchase and Sale Agreement has been fully executed and delivered and any and all conditions to the Seller's obligations thereunder have been fully satisfied or waived.

The Seller is responsible for any commission due its agent in connection with a sale of the Property. The Seller shall not be responsible for any commission claimed by any other agent or broker in connection with a sale of the Property. No other party, including the Seller's exclusive agent, is authorized to make any representation or agreement on behalf of the Seller. This Memorandum remains the property of the Seller and its exclusive agent and may be used only by parties approved by the Seller and its exclusive agent. No portion of this Memorandum may be copied or otherwise reproduced or disclosed to anyone except as provided herein and as permitted by the express terms of the Confidentiality Agreement.

Walgreens
OWOSSO, MI





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BLAKE TAGMYER

Executive Director
+1 858 558 5670

blake.tagmyer@cushwake.com

CA License No. 01912759

BRANDON PRICE

Senior Director
+1 858 558 5673

brandon.price@cushwake.com

CA License No. 01822998

IAN M. MACLACHLAN

Associate
+1 858 956 1455

ian.maclachlan@cushwake.com

CA License No. 02195320

ALLISON ABRAMS

Brokerage Coordinator
+1 858 546-5466

Allison.Abrams@cushwake.com

CA License No. 02192357

