



# WALGREENS

RECENT LEASE RENEWAL | LIMITED COMPETITION

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551 Main Street, McKee, KY

Marcus & Millichap  
PATEL YOZWIAK GROUP

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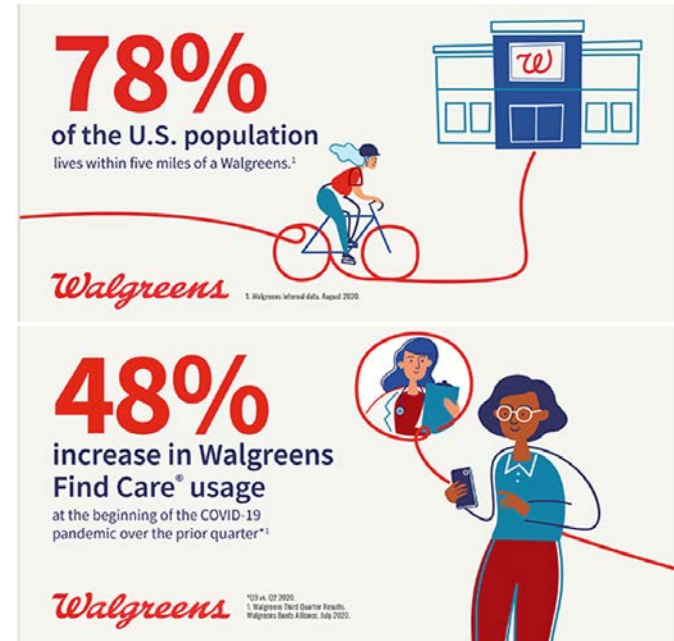
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## TENANT OVERVIEW // WALGREENS

Walgreens Boots Alliance, Inc., together with its subsidiaries, operates a network of drugstores in the United States. It provides consumer goods and services, pharmacy, and health and wellness services through drugstores, as well as through mail, and by telephone and online. The company provides specialty pharmacy services and sells prescription and non-prescription drugs; and general merchandise, including convenience and fresh foods, household items, personal care, photofinishing and candy, and beauty care. In addition, the company manages in-store convenient care clinics (Healthcare Clinics). It operates over 9,000 locations in 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The company also manages approximately 400 Healthcare Clinics and provider practice locations.

### COMPANY SNAPSHOT:

Tenant Trade Name:	<b>Walgreens</b>
Ownership:	<b>Public</b>
Founded:	<b>1901</b>
Headquarters:	<b>Deerfield, IL</b>
Tenant Type / Guarantor:	<b>Corporate</b>
Stock Symbol:	<b>WBA (NASDAQ)</b>
Revenue:	<b>\$132 Billion (2022)</b>
Employees:	<b>277,000 (2021)</b>
Locations:	<b>9,021 (2021)</b>
Website:	<a href="https://www.walgreens.com">Walgreens.com</a>



### WALGREENS BOOTS ALLIANCE REPORTS FISCAL 2022 RESULTS:

- ✓ Fiscal 2022 sales from continuing operations increased 0.1 percent to \$132.7 billion
- ✓ Drove U.S. digital sales growth of 14 percent in 4Q, on top of 82 percent in the year-ago period
- ✓ Grew myWalgreens membership to 102 million members at the end of 4Q
- ✓ Investing in labor to return impacted stores to normal operating hours
- ✓ Continued to accelerate Walgreens omnichannel offerings, with curbside and drive-thru pickup contributing to strong digital growth and 3.3 million same-day transactions completed in the fourth quarter

## INVESTMENT HIGHLIGHTS // WALGREENS

- 5 Years Remaining on a NN Lease After a Recent Renewal | Minimal Landlord Responsibilities
- Two, 5-Year Renewal Options Remaining With a Rental Increase |
- Tenant Pays Additional Percentage Rent | Strong Reported Sales
- Located Along the Main Thoroughfare of McKee Along US-421 With High Visibility | New Pylon Sign Installed in 2019
- Limited Competition: Only National Drugstore Retailer Within 20+ Mile Radius
- Large, Fully Lit Parking Lot With Easy Access From US-421 | Entire 5-Mile Population Drives by This Location Daily
- Stable Demographics: Population Exceeds 24,200+ Within 15-Miles, Projected to Increase by 2027



# FINANCIAL SUMMARY // WALGREENS



## PRICING

Cap Rate	List Price	\$/SF
7.49%	\$1,550,000	\$193.75

## OFFERING SUMMARY

Property:	Walgreens
Property Address:	551 Main St, McKee, KY 40447
Year Built:	1992
Gross Leasable Area (GLA):	8,000 Sq.Ft.
Lot Size:	+/-0.92 Acres
Type of Ownership:	Fee Simple
Net Operating Income:	\$116,108*

\*Percentage Rent Calculation Based on 3-Year Average

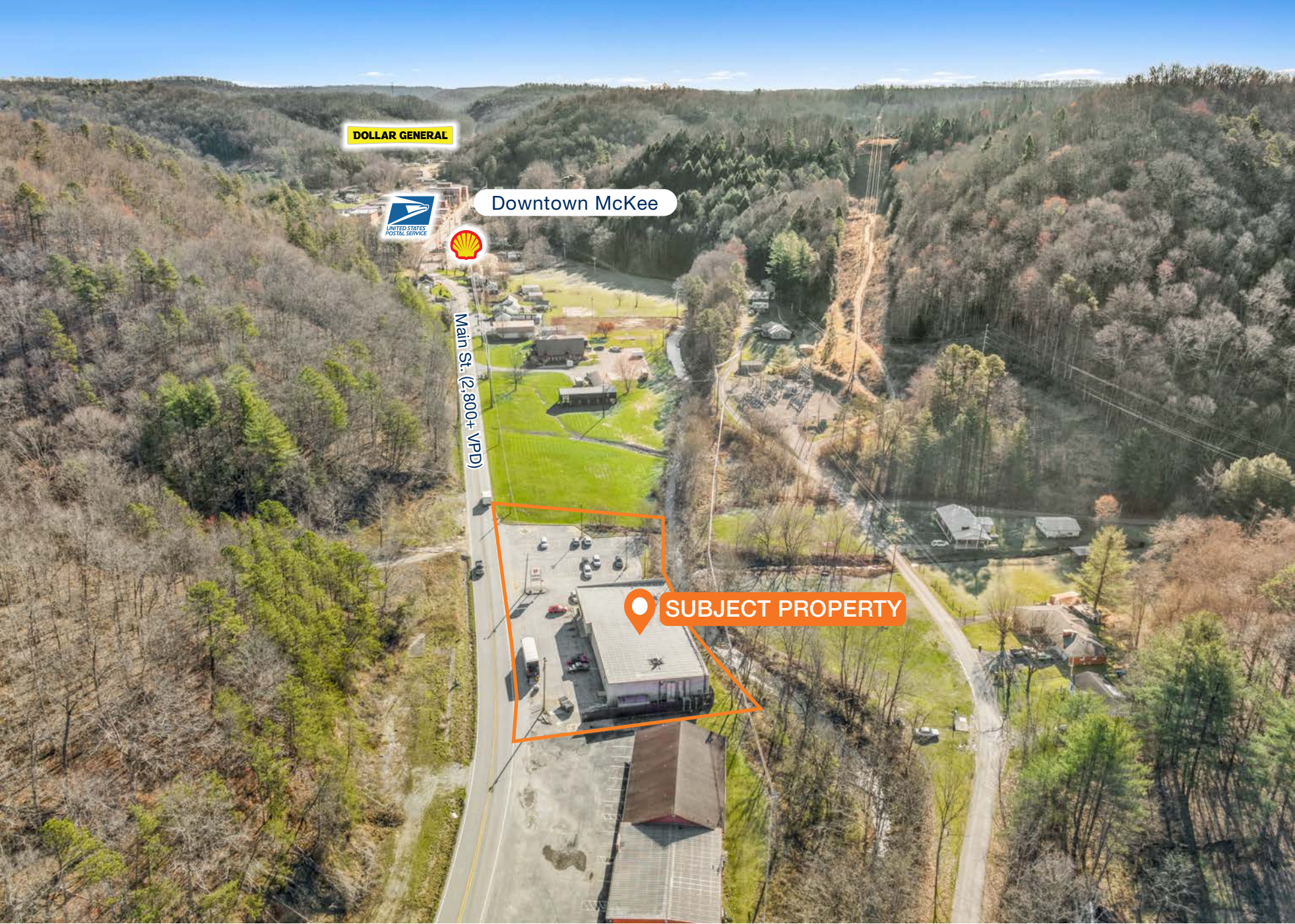
## LEASE ABSTRACT

Tenant:	Walgreens
Lease Guarantor:	Corporate
Lease Type:	Double Net
Lease Expiration Date:	09/02/2028
Term Remaining:	5 Years
Renewal Options:	Two, 5-Year Options Remaining
Rental Increases:	In Option 3
Percentage Rent:	Yes
Landlord Responsibility:	Roof and Structure
Tenant Responsibility:	All Else
Right of First Refusal:	Yes, Within 30 Days

## RENT SCHEDULE

Rental Period	ANNUAL RENT	MONTHLY RENT	RENT/SF
Current - 09/02/2028	\$75,000	\$6,250	\$9.37
Options 3 - 4	\$78,750	\$6,562.50	\$9.84

# SITE PLAN // WALGREENS



# AERIAL VIEW // McKEE, KY

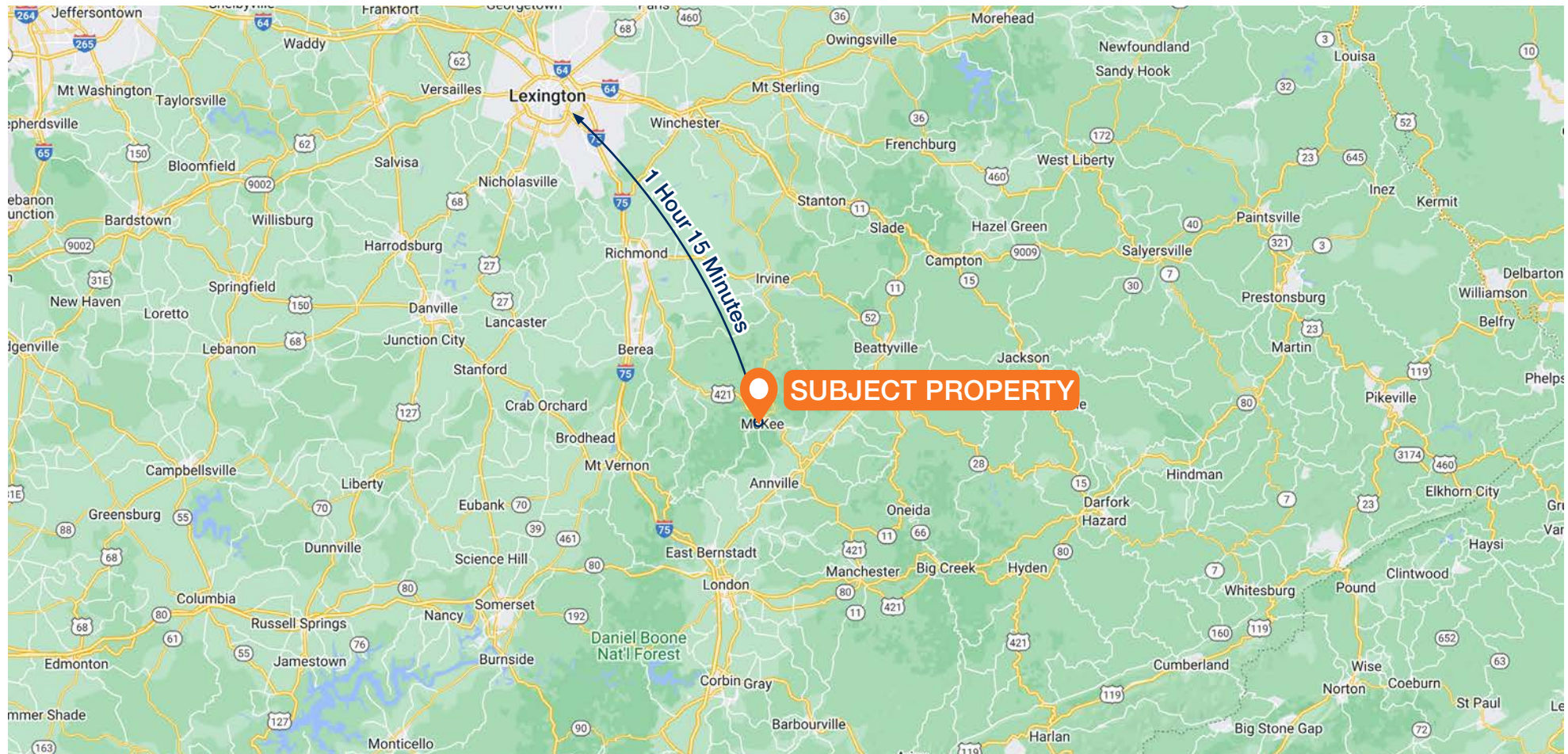


## LOCATION OVERVIEW // McKEE, KY

McKee is a home rule-class city located in Kentucky. It is the seat of Jackson County, KY. McKee is located in the central part of Jackson County, within the Daniel Boone National Forest. U.S. Route 421 passes through the center of town, leading northwest 34 miles to Richmond and southeast 29 miles to Manchester. Kentucky Route 89 runs north from McKee 28 miles to Irvine and southwest 24 miles to Livingston, while Kentucky Route 290 leads south from McKee 9 miles to Anville.

As of the 2020 census, the population in Jackson County was 12,955. Jackson County became a moist county via a “local-option” referendum in the Fall of 2019 that made the sale of alcoholic beverages in the county seat, McKee, legal. The Jackson County Industrial Development Authority (JCIDA) assists with economic development efforts in the county. The authority manages 3 industrial parks in the county which include the McKee Industrial Park in McKee.

One fourth of Jackson County is within the Daniel Boone National Forest, making it representative of eastern Kentucky’s unique Appalachian topography, wildlife, and heritage. The county is home to many attractions and recreation spots such as Flat Lick Falls, and public national forest campgrounds.



# DEMOGRAPHIC OVERVIEW // McKEE, KY

POPULATION	5 Miles	10 Miles	15 Miles
<b>2027 Projection</b>			
Total Population	2,660	11,767	24,342
<b>2022 Estimate</b>			
Total Population	2,855	11,802	24,288
<b>2010 Census</b>			
Total Population	3,256	11,874	24,264
<b>2000 Census</b>			
Total Population	3,572	11,898	24,295
<b>Daytime Population</b>			
2022 Estimate	3,050	7,444	13,199
HOUSEHOLDS	5 Miles	10 Miles	15 Miles
<b>2027 Projection</b>			
Total Households	1,172	4,812	9,920
<b>2022 Estimate</b>			
Total Households	1,244	4,786	9,811
Average (Mean) Household Size	2.3	2.4	2.5
<b>2010 Census</b>			
Total Households	1,409	4,785	9,721
<b>2000 Census</b>			
Total Households	1,450	4,646	9,486
<b>Occupied Units</b>			
2027 Projection	1,396	5,866	11,953
2022 Estimate	1,473	5,793	11,759
HOUSEHOLDS BY INCOME	5 Miles	10 Miles	15 Miles
<b>2022 Estimate</b>			
\$150,000 or More	3.8%	1.8%	1.6%
\$100,000-\$149,999	5.8%	6.3%	6.6%
\$75,000-\$99,999	12.2%	12.7%	11.2%
\$50,000-\$74,999	12.3%	15.4%	16.6%
\$35,000-\$49,999	15.2%	15.1%	15.4%
Under \$35,000	50.7%	48.7%	48.6%
Average Household Income	\$47,686	\$47,038	\$46,548
Median Household Income	\$34,411	\$36,335	\$36,237
Per Capita Income	\$20,900	\$19,168	\$18,889

HOUSEHOLDS BY EXPENDITURE	5 Miles	10 Miles	15 Miles
<b>Consumer Expenditure Top 10 Categories</b>			
Housing	\$14,431	\$14,795	\$14,420
Transportation	\$7,972	\$8,236	\$8,074
Food	\$5,794	\$5,956	\$5,865
Personal Insurance and Pensions	\$4,651	\$4,833	\$4,677
Healthcare	\$4,014	\$4,173	\$4,111
Entertainment	\$1,855	\$1,927	\$1,877
Cash Contributions	\$1,615	\$1,666	\$1,620
Gifts	\$908	\$939	\$927
Apparel	\$908	\$957	\$936
Education	\$668	\$672	\$643
POPULATION PROFILE	5 Miles	10 Miles	15 Miles
<b>Population By Age</b>			
2022 Estimate Total Population	2,855	11,802	24,288
Under 20	25.4%	24.8%	24.1%
20 to 34 Years	17.9%	17.0%	16.9%
35 to 39 Years	5.8%	5.8%	5.8%
40 to 49 Years	12.6%	13.5%	13.4%
50 to 64 Years	20.9%	20.8%	21.6%
Age 65+	17.4%	18.2%	18.2%
Median Age	40.7	41.9	42.5
<b>Population 25+ by Education Level</b>			
2022 Estimate Population Age 25+	1,976	8,265	17,146
Elementary (0-8)	11.5%	13.6%	13.7%
Some High School (9-11)	18.8%	14.9%	14.0%
High School Graduate (12)	38.0%	41.5%	42.8%
Some College (13-15)	12.2%	14.4%	14.2%
Associate Degree Only	8.3%	5.1%	5.1%
Bachelor's Degree Only	6.0%	5.3%	5.1%
Graduate Degree	5.3%	5.1%	5.1%

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