



WALGREENS

ABSOLUTE NNN WITH 12+ YEARS REMAINING – INFILL CENTRAL VALLEY

FRESNO, CA



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Investment Summary



WALGREENS

2420 N BLACKSTONE AVE FRESNO, CA 93703 

\$6,250,000

PRICE

6.00%

CAP

NOI:

\$375,000

LEASE TYPE:

ABSOLUTE NNN

LEASE TERM:

25 YEARS

LEASABLE AREA:

14,740 SF

LAND AREA:

1.10 ACRES

YEAR BUILT:

2008

**CORPORATE LEASE WITH DRIVE-THRU
PHARMACY; SIGNALIZED INTERSECTION
LOCATION**

Investment Highlights



THE OFFERING

An opportunity for an investor to acquire an absolute NNN, corporate Walgreens located on a heavily trafficked intersection in Fresno, just north of the downtown district. The tenant has been operating at this location since 2008, and its initial term continues through July 2033 with 50 one-year renewal options. The attractively constructed building features prominent pylon signage on the corner of N Blackstone Ave and E Clinton Ave, as well as a drive-thru pharmacy pick up window.

Walgreens is well-positioned within the Midtown East submarket of Fresno. Easily accessible from State Route 41, the subject property shares a signalized intersection with Smart & Final, Starbucks, and Family Dollar, creating a synergistic mix of daily needs tenants. Additionally, Walgreens is a 7-minute walk from Fresno City College, California's first community college and a major driver to the area, serving over 22,000 students.

HIGHLIGHTS

- **Corporate Abs. NNN Lease with zero landlord obligations**
- **12+ years remaining in the primary term; building features numerous high-end design features**
- **Investment grade tenant; infill retail node in the CA Central Valley**

DESIRABLE LOCATION

- **Located on a signalized intersection with excellent street visibility**
- **Densely populated surrounding area (400,000+ residents within a 5-mile radius)**
- **Minutes away from Fresno City College (22,000+ students)**

Income & Expense

		CURRENT
Price:		\$6,250,000
Capitalization Rate:		6.00%
Price Per Square Foot:		\$424.02
Total Rentable Area (SF):		14,740
Lot Size (AC):		1.10
STABILIZED INCOME	PER SQUARE FOOT	
Scheduled Rent	\$25.44	\$375,000
Effective Gross Income	\$25.44	\$375,000
LESS	PER SQUARE FOOT	
Taxes	NNN	\$0.00
Insurance	NNN	\$0.00
Total Operating Expenses	NNN	\$0.00
EQUALS NET OPERATING INCOME		\$375,000

Rent Roll

TENANT INFO		LEASE TERMS		RENT SUMMARY				
TENANT	SQ. FT.			CURRENT RENT	MONTHLY RENT	YEARLY RENT	MONTHLY RENT/FT	YEARLY RENT/FT
Walgreens	14,740	07/27/08	07/31/33	\$375,000	\$31,250	\$375,000	\$2.12	\$25.44
TOTALS:	14,740			\$2,604.17	\$31,250.00	\$375,000	\$2.12	\$25.44

Tenant has 50 one-year extension options with annual rent of \$375,000, and must give 12 months prior written notice before terminating the Lease

Lease Abstract

Walgreens

RENT

BASE RENT

DATE RANGE	MONTHLY RENT	ANNUAL RENT
07/27/08 - 07/31/33	\$31,250	\$375,000

OPTION RENTS

Tenant has 50 one-year extension options with annual rent of \$375,000, and must give 12 months prior written notice before terminating the Lease.

PREMISES & TERM

TENANT	Walgreen Co.
LEASE TYPE	Absolute NNN
LEASE TERM	25 years
LEASE EXPIRATION	07/31/2033
OPTIONS	50 one-year options

EXPENSES

TAXES

Tenant pays directly to the taxing authority

INSURANCE

Tenant carries and maintains special form insurance as well as public liability and property damage insurance

UTILITIES

Tenant pays all utilities directly

MAINTENANCE

Tenant is responsible

LANDLORD'S OBLIGATIONS

No Landlord obligations.

ADDITIONAL LEASE PROVISIONS

PERCENTAGE RENT

If 2% of Gross Sales (except Gross Sales from sale of food items) plus 0.5% of such Gross Sales shall exceed the fixed rent for any lease year, then Tenant shall pay Landlord the amount of such excess as additional percentage rent annually

RIGHT OF FIRST REFUSAL

If Landlord receives a Bona Fide Offer to purchase the Premises, Tenant shall be notified and will have 14 days to purchase at the same price and terms

The details contained within the Lease Abstract are provided as a courtesy to the recipient for purposes of evaluating the Property's initial suitability. While every effort is made to accurately reflect the terms of the lease document(s), many of the items represented herein have been paraphrased, may have changed since the time of publication, or are potentially in error. Capital Pacific and its employees explicitly disclaim any responsibility for inaccuracies and it is the duty of the recipient to exercise an independent due diligence investigation in verifying all such information, including, but not limited to, the actual lease document(s).

Site Plan

sf
14,740
RENTABLE SF

ac
1.10
ACRES

53
SPACES



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Tenant Overview



ABOUT WALGREENS

Walgreens Boots Alliance (NASDAQ: WBA) is the first global pharmacy-led health and well-being enterprise in the world. The company was created through the combination of Walgreens and Alliance Boots of England in December 2014, bringing together two leading companies with iconic brands, a heritage of trusted health care services through pharmaceutical wholesaling and community pharmacy care.

Walgreens provides about 80% of the revenue and profits of WBA. The parent company employs over 385,000 people and has a presence in more than 25 countries. It is the largest retail pharmacy, health and daily living destination in the USA and Europe.

Walgreens Boots Alliance has more than 21,000 stores, and the **largest global pharmaceutical wholesale and distribution network** with over 390 distribution centers delivering to more than 250,000 pharmacies, doctors, health centers and hospitals each year in 20 countries. In addition, Walgreens Boots Alliance is the world's largest purchaser of prescription drugs and many other health and wellbeing products. Its portfolio of retail and business brands includes Walgreens, Duane Reade, Boots and Alliance Healthcare.

Walgreens is **the largest drugstore chain in the U.S. with fiscal 2020 sales of more than \$139.5 billion**. Founded with a single store in Chicago in 1901, Walgreens today has more than 9,021 drugstores.

9,021+

LOCATIONS IN ALL 50 STATES,
PUERTO RICO, AND THE U.S.
VIRGIN ISLANDS

Subject Property



Surrounding Retail



Retail Aerial



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Retail Aerial



DOWNTOWN FRESNO

SEQUOIA-KINGS CANYON FREEWAY

120,000
VPD

FRESNO CITY COLLEGE
22,000+ STUDENTS
ENROLLED

180

SAN JOAQUIN
MEMORIAL
HIGH SCHOOL

12,985
VPD

PHILLIP J PATIÑO
SCHOOL OF
ENTREPRENEURSHIP

hocus pocus

RATCLIFFE
STADIUM

TACO BELL
NAPA
Aaron's

Jack
in the box

Carl's Jr.

Wendy's

KFC

FAMILY
DOLLAR

Walgreens

Starbucks

Smart & Final
extra!

E TERRACE AVENUE

smithauto

N BLACKSTONE AVENUE

J&P

Auto
Zone

35,508
VPD

MATTRESS
BY APPOINTMENT

AUTO CITY

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Zoomed-In Aerial



E SHIELDS AVENUE

23,374
VPD



35,508
VPD



41

VETERANS
AFFAIRS
MEDICAL
CENTER

13,366
VPD



149,000
VPD



E CLINTON AVENUE



E CLINTON AVENUE



FRESNO
CITY
COLLEGE

FRESNO
CITY
CENTER



41

16,562
VPD



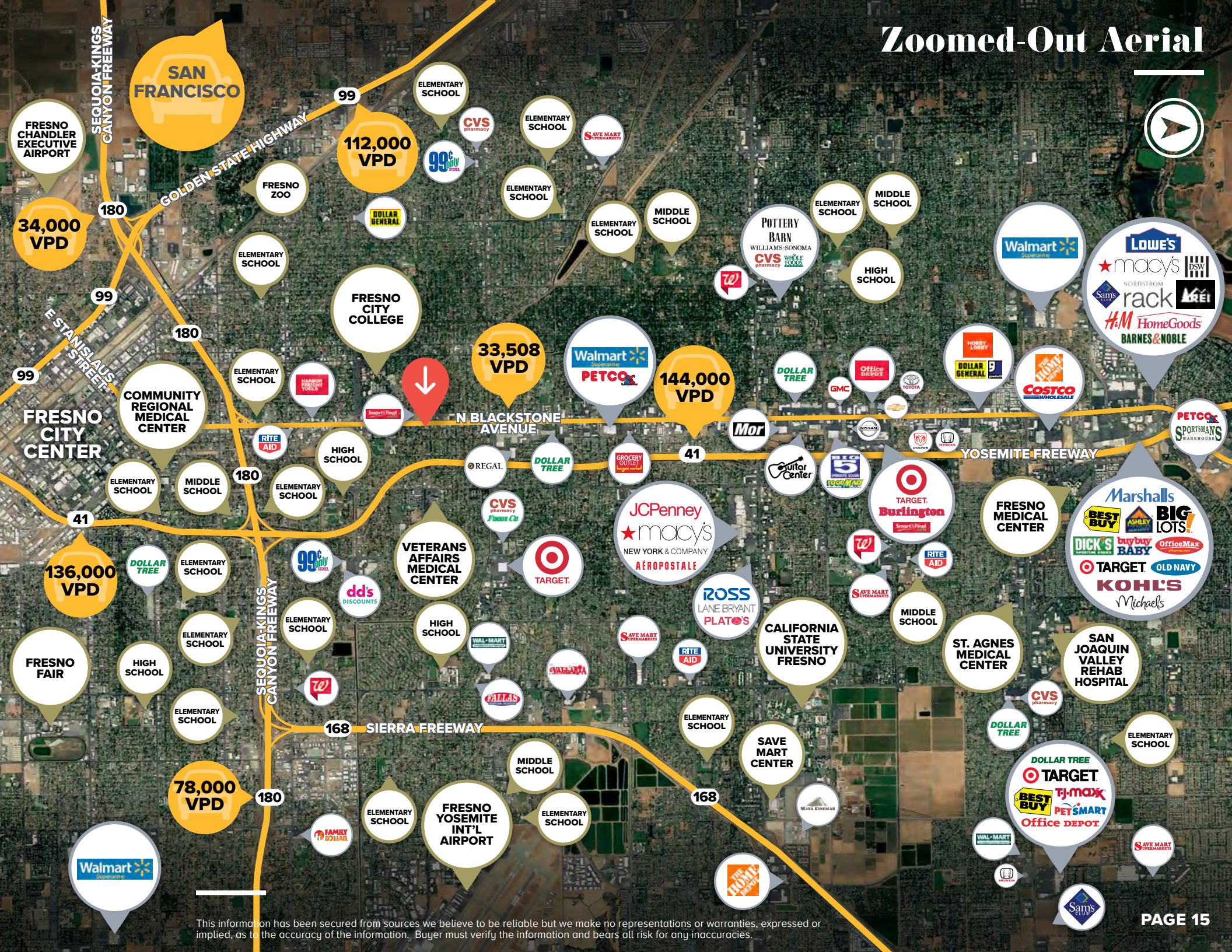
CITY OF
FRESNO



W MCKINLEY AVENUE

W MCKINLEY AVENUE

Zoomed-Out Aerial



FRESNO CHANDLER EXECUTIVE AIRPORT

34,000 VPD

112,000 VPD

136,000 VPD

78,000 VPD

33,508 VPD

144,000 VPD

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Demographics



POPULATION

	1-MILE	3-MILES	5-MILES
2010	17,313	175,484	389,448
2020	18,090	179,313	401,272
2025	18,503	181,984	408,500



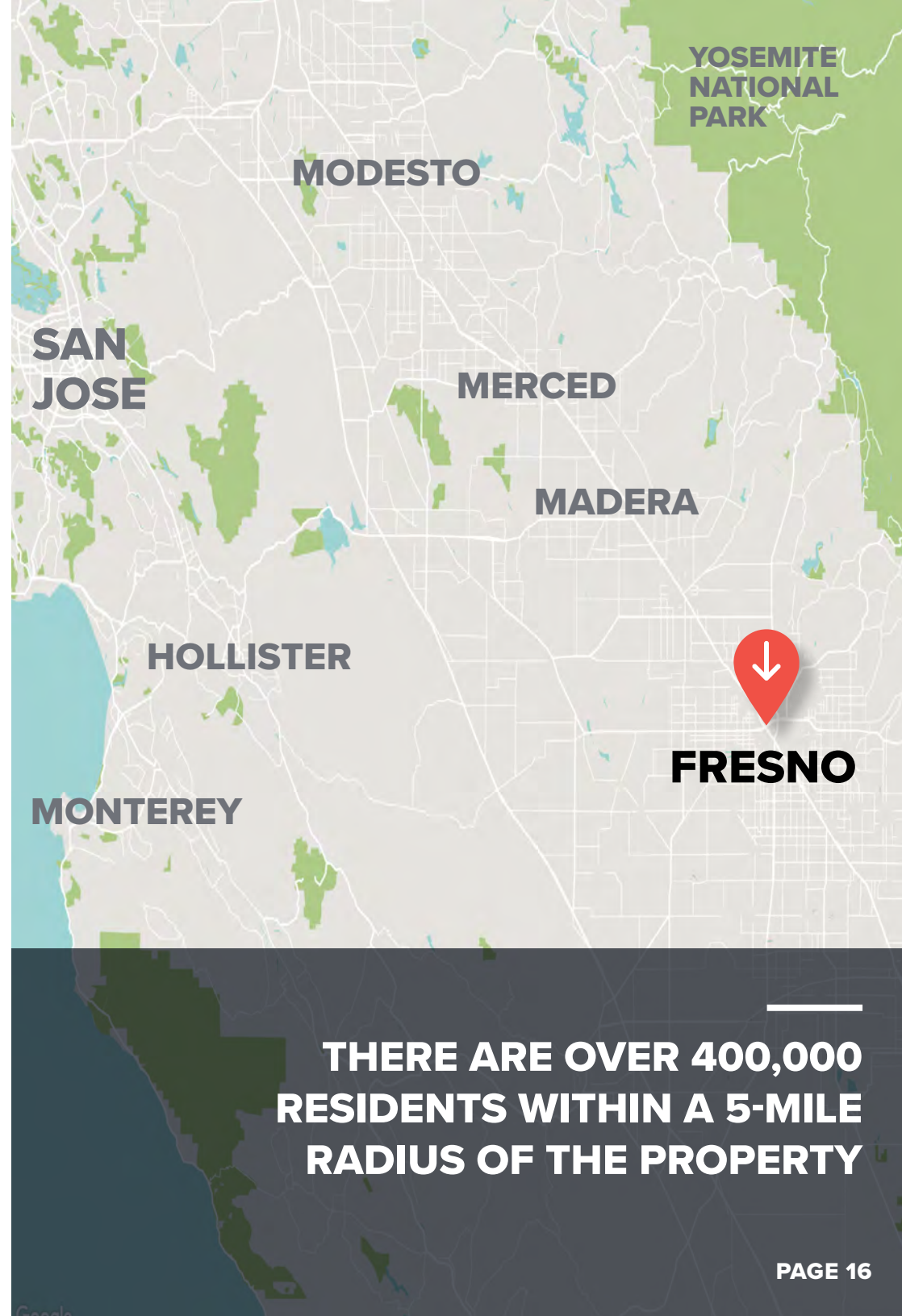
2020 HH INCOME

	1-MILE	3-MILES	5-MILES
Average	\$52,053	\$51,882	\$55,270

TOP EMPLOYERS

EMPLOYER	# OF EMPLOYEES
Fresno United School District	9,586+
Clovis Community Medical Center	7,800+
City of Fresno	2,894
Saint Agnes Medical Center	2,547
Kaiser Permanente Fresno	2,350

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**THERE ARE OVER 400,000
RESIDENTS WITHIN A 5-MILE
RADIUS OF THE PROPERTY**

FRESNO, CALIFORNIA



DOWNTOWN FRESNO

FRESNO is located in central California, within a three hour drive from Los Angeles, the San Francisco Bay Area, and Sacramento. Fresno is California's 5th largest city.

The unincorporated area and rural cities surrounding Fresno remain predominantly tied to large-scale agricultural production. Fresno County is known as the Agricultural Capital of the World producing 350 crops worth approximately \$6.8 billion.

Fresno County is home to several universities, such as California State University - Fresno, National University, Fresno Pacific University, Fresno City College, West Hills Community College, as well as an abundance of trade and technology institutions. The Save Mart Center on the campus of Fresno State University, is a venue for national touring concert acts, as well as Fresno State home basketball games.

FRESNO SERVES AS THE ECONOMIC HUB of Fresno County and California's San Joaquin Valley. Due to its central location within the state, Fresno County is home to numerous distribution centers, including those for Amazon, ULTA, Kraft Foods, and Gap. International freight shipments to and from the entire region flow through the Fresno Yosemite International Airport, a direct port of entry. The nation's largest parcel carriers, FedEx, UPS, and DHL, operate out of the airport.

1.01 MILLION



**FRESNO COUNTY
POPULATION
(ESTIMATED)**

EXCERPTS FROM: ON THE RISE? THE CENTRAL VALLEY IS BEATING THE BAY AREA AND L.A. IN KEY MEASURES

Jan. 7, 2019 (The Sacramento Bee) It may be time to stop thinking of the Central Valley as the downtrodden sibling to California's coastal powers. By some measures, the Central Valley outperformed the Bay Area and Southern California in 2018, according to state population and economic figures.

Population growth in the Valley outpaced gains in both the Bay Area and Southern California. Job growth here was on par with gains in the Bay and was stronger than the Los Angeles/San Diego megaregion. And while the Bay Area and L.A. continue to lose residents to other parts of the state and nation, the Valley made gains in 2018.

Of the 20 fastest-growing counties in the state last year, 12 were in the Central Valley.

One theory that could explain the Valley's robust growth, said state demographer Ethan Sharygin: "Families are starting there and growing." Many Valley counties had strong birth rates, suggesting residents planting roots in the region are doing so to have children in a place far more affordable than the coastal counties.

There's more. California's population growth in recent years has been driven primarily by births and immigration from other countries. But the Valley is also seeing an influx of new residents from other parts of the United States — most notably from the expensive coastal regions of California. The Valley added roughly 8,400 residents last year through net domestic migration, state figures show.

The Valley also added lots of jobs last year. The number of employed people in the labor force rose 2.6 percent in the 17-county region. By comparison, the Bay Area region saw a 2.9 percent in overall jobs, while the Los Angeles-San Diego-Inland Empire area had a job-growth rate of 1.4 percent.

[READ THE FULL ARTICLE](#)



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