



WALGREENS

2420 EAST BASELINE ROAD
PHOENIX, AZ 85042

HF Realty Group

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Pricing & Financial Analysis

HF Realty Group

Investment Overview

Investments Highlights

- Corporate Guarantee
- Absolute Net Lease with Zero Landlord Responsibilities⁵
- Established Location | Strong Reported Sales* (Available upon request)
- High Visibility
- Excellent Hard NE Corner of 24th St. and E. Baseline Rd., Location NE
- Traffic Count - VPD: 106,200
- Investment Grade Credit - “BBB” Rating By Standard & Poor’s
- Located Across from South Mountain Community College-8000+ Students



Location: 2420 East Baseline Road, Phoenix, Arizona.
14,490 SF Single Tenant Retail Building
Land is approximately 2.05 acres

Leased to Walgreen Arizona Drug Co. and guaranteed by Walgreen Co. who . Recognized as not only the nation’s largest retail pharmacy chain, Walgreens is considered to be the leader in innovative drugstore retailing. Walgreens Company is a wholly owned subsidiary of Walgreens Boots Alliance, Inc., a publicly traded company (NASDAQ: WBA) with investment grade credit, rated BBB by Standard & Poor’s.

The urban retail development known as Legacy Village is to the west and across the street from the property. About Legacy Village: Legacy Village encompasses 136,968 square feet of retail shops on a 40 acre site and is the only major retail development of its kind in the area. The shop space is being leased to a diverse number of national tenants to include Fry’s Marketplace, Target, Starbucks, Payless Shoe Source, Ross Dress for Less, iHop, Jack in the Box, Bank of America, Ace Hardware, Cold Stone Creamery and many others. Further strengthening the location there is a retail center to the south with a Walmart Neighborhood Market, Verizon, PetSmart, Chipotle, and Ono Hawaiian BBQ..

The South Mountain Community College, which serves a broad and diverse student body now composed of more than 8,000 students each year is located caddy corner to the subject property. . Enrollment continues to grow each semester and along with this growth comes an increase in classes and programs.

Location:

2420 East Baseline Road
Phoenix, AZ 85042

Offering Summary

Price	\$5,261,538
Gross Leasable Area (GLA)	14,490 SF
Price/SF	\$363.11
Lot Size	± 2.05 Acres
Year Built	2002
Net Operating Income	\$342,000
Asking CAP Rate	6.50%
Type of Ownership	Fee Simple
Term Remaining on Lease	46 Years

Lease Summary

Tenant Trade Name	Walgreens.
Ownership	Public
Tenant	Corporate Store
Lease Guarantor	Corporate
Lease Type	Absolute Net
Roof & Structure Responsibility	Tenant Responsible
Lease Term	60 Years
Lease Commencement Date	June 7, 2002
Lease Expiration Date	June 30, 2062
Options	8– 5 year options With 6 months written notice
Right of First Refusal	Tenant's option with 15 day notice

Tenant Summary

Tenant Trade Name	Walgreens
Property Type	Net Leased Drug Store
Sales Volume	\$76.4 Billion
Net Worth	\$20.5 Billion
Credit Rating	BBB
Rating Agency	Standard & Poor's
Ticker Symbol	WBA
Board	NASDAQ
Number of Locations	8,200+
Headquarters	Deerfield, IL
Website	www.walgreens.com

Walgreens Boots Alliance, Inc., together with its subsidiaries, operates a network of drug stores in the United States.

It provides consumer goods and services, pharmacy, and health and wellness services through drug-stores, as well as through mail, and by telephone and online. The company sells prescription and non-prescription drugs; and general merchandise, including convenience and fresh foods, household items, personal care, photo finishing and candy, and beauty care. It also provides specialty pharmacy services for managing complex and chronic health conditions; customers infusion therapy services consisting of administration of intravenous medications for cancer treatments, chronic pain, heart failure, and other infections and disorders; and clinical services, such as laboratory monitoring, medication profile review, nutritional assessments, and patient and caregiver education. In addition, the company manages in-store convenient care clinics (Healthcare Clinics).

As of October 20, 2014, Walgreens Boots Alliance Inc., operated 8,207 locations in 50 states, the District of Columbia, Puerto Rico, and the U.S. Virgin Islands. The company also managed approximately 400 Healthcare Clinics and provider practice locations. The company based in Deerfield, Illinois was founded in 1901.

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Property Description

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Regional Map

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Aerial Map

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Demographics

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Population	1-Mile	3-Mile	5-Mile
2000	8,216	65,480	175,147
2010	9,447	73,533	191,733
2014	9,911	76,977	201,243
2019	11,074	82,483	214,410

Households	1-Mile	3-Mile	5-Mile
2000 Households	2,510	18,981	57,568
2010 Households	3,244	23,187	66,390
2014 Households	3,429	24,407	69,960
2019 Households	3,954	26,539	75,013
2014 Average Household Size	2.8	3.13	2.84
2014 Daytime Population	2,143	34,729	125,090
2000 Owner Occupied Housing Units	63.62%	60.99%	55.65%
2000 Renter Occupied Housing Units	27.05%	33.62%	37.97%
2000 Vacant	9.33%	5.39%	6.39%
2014 Owner Occupied Housing Units	71.40%	58.63%	53.00%
2014 Renter Occupied Housing Units	28.60%	41.37%	47.00%
2014 Vacant	6.10%	8.30%	6.24%
2019 Owner Occupied Housing Units	71.87%	58.29%	52.94%
2019 Renter Occupied Housing Units	28.13%	41.71%	47.06%
2019 Vacant	5.93%	8.67%	6.36%

Income	1-Mile	3-Mile	5-Mile
\$ 0 - \$14,999	10.00%	18.30%	15.60%
\$ 15,000 - \$24,999	10.20%	13.70%	12.50%
\$ 25,000 - \$34,999	8.90%	11.40%	10.50%
\$ 35,000 - \$49,999	15.00%	16.30%	16.30%
\$ 50,000 - \$74,999	19.80%	18.10%	17.90%
\$ 75,000 - \$99,999	14.30%	9.70%	10.70%
\$100,000 - \$124,999	9.00%	5.50%	6.50%
\$125,000 - \$149,999	5.10%	3.00%	3.70%
\$150,000 - \$199,999	4.30%	2.00%	3.30%
\$200,000 - \$249,999	1.30%	0.80%	1.20%
\$250,000+	2.20%	1.30%	1.80%
2014 Median Household Income	\$57,689	\$40,905	\$44,961
2014 Per Capita Income	\$26,545	\$17,949	\$22,480
2014 Average Household Income	\$76,329	\$56,292	\$64,387



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