

ABSOLUTE NNN LEASE | 11.5 YEARS REMAINING | NEAREST PHARMACY TO MEDICAL CENTER

# Walgreens

Conover (Charlotte), NC



ACTUAL SITE



*Walgreens*

456 Conover Blvd W  
Conover, NC 28613



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**01** Offering

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**03** Tenant Overview

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01

# Offering

Investment Highlights  
Executive Summary



# INVESTMENT HIGHLIGHTS

## THE OFFERING

Built in 2015, this freestanding Walgreens drug store with drive-thru is 14,550 SF and situated on 1.81 acres along 456 Conover Blvd. West (US-70) in Conover, North Carolina. Walgreens' 20-year lease expires in January of 2035, leaving approximately 11.5 years remaining on the initial lease term.

**Price: \$5,715,836, Cap Rate: 6.35%**

## LEASE /TENANT

- **Walgreens Co. (NASDAQ: "WBA") is rated "BBB" investment grade by Standard & Poor's** – over \$133.3 billion in annual revenue and market cap of \$32.21 billion as of 2022
- **Absolute NNN Lease Structure** – Zero landlord responsibilities for operating or capital expenses
- **Corporate Backed Long-Term Lease** – Walgreens signed a 20-year lease, which commenced in 2015, leaving approximately 11.5 years on the lease term
- **Long-Term Historical Tenancy** – Walgreens has successfully operated at subject property for almost a decade
- **Walgreens is ranked #18 on the 2023 Fortune 500 list** – over 9,000 stores and 258,500 employees operating in all 50 states
- **Strategic Location with Limited Competition** – only Walgreens in the city of Conover with only 2 other free-standing pharmacies in a five-mile radius.

## REAL ESTATE /AREA STRENGTHS

- **Signalized location along area's main retail and traffic corridor** – excellent exposure at the intersection of Conover Blvd W (US-70) and 7th St PI with combined daily traffic counts in excess of 44,000 vehicles.
- **Positioned within an extremely dense retail Hub** – Over 3.4 million square feet of retail space within a five-mile radius including national big box tenants such as Sam's Club, Walmart Supercenter, The Home Depot, Target, etc
- **Nearest Walgreens to Catawba Valley Medical Center** – voted top hospital for patient experience, this sprawling 95-acre acute care hospital includes 258-beds, over 1,000 employees, and is located just minutes from subject property. Walgreens benefits from being the closest free-standing national pharmacy chain to the medical center
- **Close-Proximity to Conover's The Marketplace** –133,405 SF community retail center anchored by Big Lots and Beall's Outlets. Additional traffic generators in the center include KFC, Taco Bell, T-Mobile, Papa John's Pizza and many more
- **Easily accessible via Interstate US-70** – connecting Conover to the rest of Catawba County, Charlotte MSA and beyond. Subject property is located 40 miles north of Charlotte, the largest and most populated city in the state.
- **Drive-Thru Pharmacy** – allowing for convenient prescription pickup
- **Transportation Expansion / Future Rail Line** – included in the Master Plan for the City of Conover is the addition of a passenger rail stop in Conover Station, which will be the only stop in all of Catawba County. With the addition of the proposed rail service, a Conover resident could potentially train from Conover to Charlotte, Raleigh, New York City, Washington D.C. or Atlanta



## SOUTH / WEST



## EXECUTIVE SUMMARY



The subject property is a **14,550 square foot Walgreens Pharmacy** with **drive-thru** located in **Conover, North Carolina**. Conover, which is part of Catawba County, is located **40 miles north of Charlotte**, the largest city in the state of North Carolina. Walgreens **signed a 20-year lease**, which commenced in January 2015, leaving approximately **11.5 years remaining** on the tenant's initial lease term. Walgreens has **eleven, 5-year renewal options** thereafter. 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 \$133.3 billion** in 2022. Walgreens is **ranked #18 on the Fortune 500 list**.

Located at the **signalized intersection** of Conover Boulevard W (**US-70**) and 7th St PI SW, the subject property is **well positioned** and **easily accessible** along the area's **main traffic arteries** with combined daily traffic counts in excess of **44,000 vehicles**. Conover Boulevard W (**US-70**), 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**. The subject property is ideally positioned near the area's **main retail hub** with **over 3.4 million square feet** of retail space within a five-mile radius. This includes the **Valley Hills Mall**, the **only enclosed mall** in a 40-mile radius. Adjacent to the mall includes many other power centers anchored by **Sam's Club, Walmart Supercenter, Lowe's Home Improvement, Target, The Home Depot** and many more. Walgreen's is conveniently located near Conover's **The Marketplace**, a **133,405 square feet** community retail center anchored by **Big Lots and Beall's Outlets**, featuring additional national tenancy including **KFC, Taco Bell, T-Mobile, Papa John's Pizza** and many more. **Additional traffic generators** in the immediate area include **Food Lion, Walmart Neighborhood Market, Tractor Supply, McDonald's, Advanced Auto Parts, Sheetz, Goodwill** and many other quick-service restaurants. The subject property also **benefits from limited competition** as the **only Walgreens in the city of Conover**, and the **closest Walgreens (and national free-standing pharmacy chain) to Catawba Valley Medical Center**. The **258-bed acute care hospital** spans over **96 acres**, includes over **1,000 employees** making it one of the **largest employers** in Catawba county. The hospital was voted top 100 hospital for patient experience and is currently underway on a **\$30M expansion** of the Emergency Department, which is scheduled to be completed in September 2023.

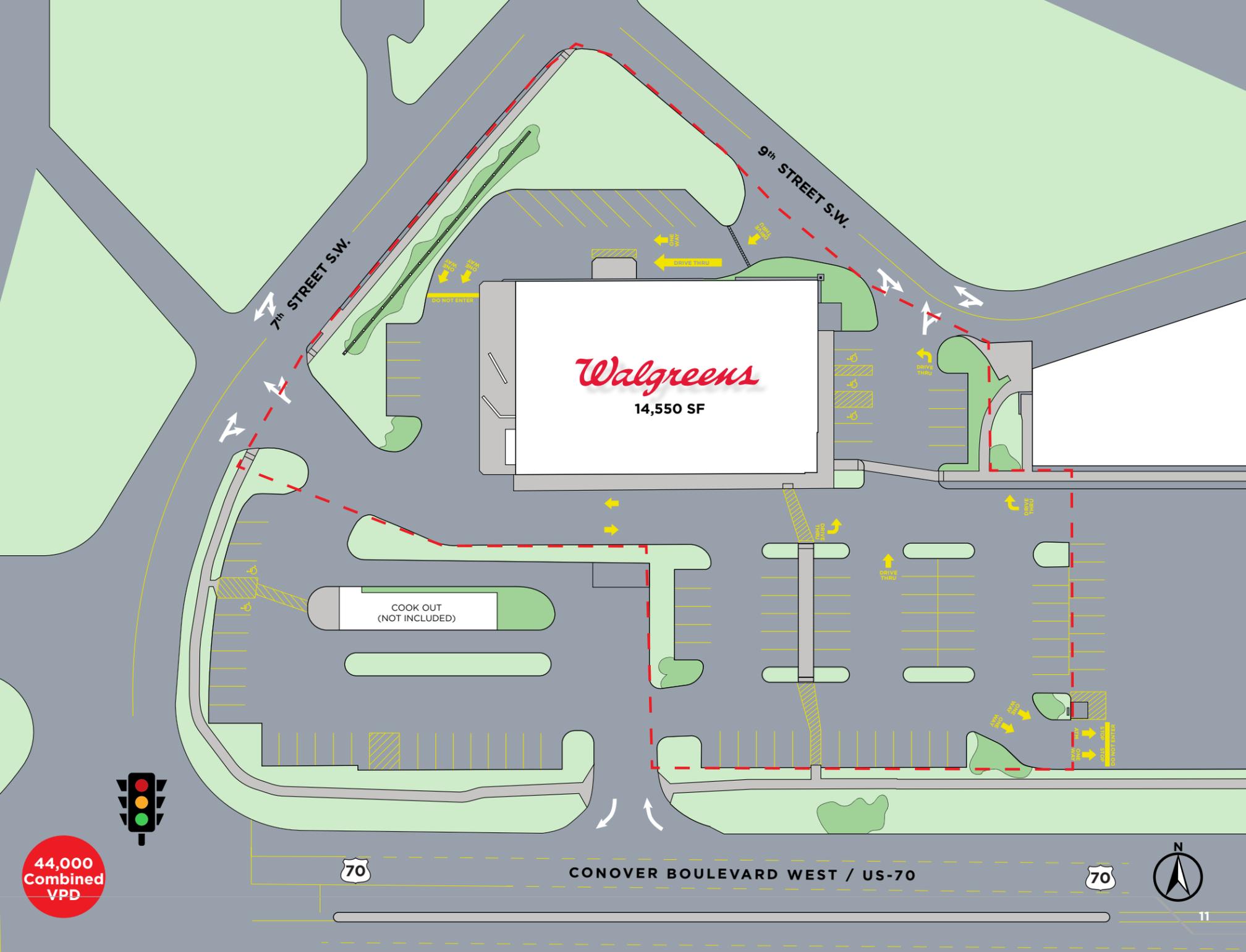
With Walgreen's location along US-70, just **west of the city center**, the retailer provides pharmacy services to the city as well as easy access to nearby traffic arteries that **connect it to the rest of Catawba County, Charlotte MSA** and beyond. The surrounding area has a **population of 47,371** within a 5-mile radius, which includes over **20,000 housing units** serving as a strong customer base for the subject property.



44,000  
Combined  
VPD



CONOVER BOULEVARD WEST / US-70



44,000  
Combined  
VPD



CONOVER BOULEVARD WEST / US-70



# 02

## Financials

Lease & Pricing Summary





# Walgreens

456 Conover Blvd West  
Conover, NC 28613



**\$5,715,836**  
Price



**6.35%**  
Cap Rate



**2015**  
Year Built



**FEE SIMPLE**  
Ownership Type



**14,550 SF**  
Building Size



**±1.81 ACRES**  
Lot Size

## LEASE SUMMARY

**Tenant** Walgreens CO.

**Lease Type** Absolute NNN

**Landlord Responsibilities** None

**Lease Term** 20 Years

**Lease Commencement** 1/19/2015

**Lease Expiration** 1/31/2035

**Remaining Lease Term** 11.5 Years

**Termination Options** 11, 5-Year Options

**Rent Increases** Flat

**ROFR** Yes- 21 days

## RENT SCHEDULE

Period	Annual Base Rent	Monthly Base Rent
Current - 1/31/2035	\$362,955.60	\$30,246.30
Options 1-11 (5 Years)	\$362,955.60	\$30,246.30



# 03

## Tenant

Tenant Overview



# Walgreens



## TENANT OVERVIEW

### 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. Founded in 1901, the company has grown to include over 13,000 stores and 245,000 employees across 25 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 pharmaceutical 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, ranking at #18.

### BBB "INVESTMENT GRADE"

Credit Rating (Standard & Poor's)



## \$133.3B

2022 Revenue

## #18

on Forbe's Fortune  
500 List

# Forbes



## 245,000

Employees

## PUBLIC

Ownership



## WBA

Nasdaq Ticker Symbol

# TENANT OVERVIEW

## Walgreens Growth

Walgreen's VillageMD unit recently announced it was buying another urgent and primary care chain, Summit Health-CityMD, in a deal worth close to \$9 billion. The VillageMD-Summit Health deal will expand Walgreen's reach into primary, specialty and urgent care. Combined, VillageMD and Summit Health will operate more than 680 provider locations in 26 markets.

Walgreens Boots Alliance and VillageMD have 52 co-located primary care practice locations currently open and will have more than 80 open by the end of this calendar year. Last year, Walgreens invested \$5.2 billion in VillageMD, becoming the majority owner, and said it planned to open at least 600 Village Medical at Walgreens primary care practices across the country by 2025 and 1,000 by 2027.

The retail drugstore chain also plans to accelerate acquisitions of two other companies: post-acute and home care company CareCentrix and specialty pharmacy company Shields Health Solutions. CareCentrix currently manages care for more than 19 million members through over 7,400 provider locations.



# WALGREENS BOOTS ALLIANCE SEGMENT STRUCTURE



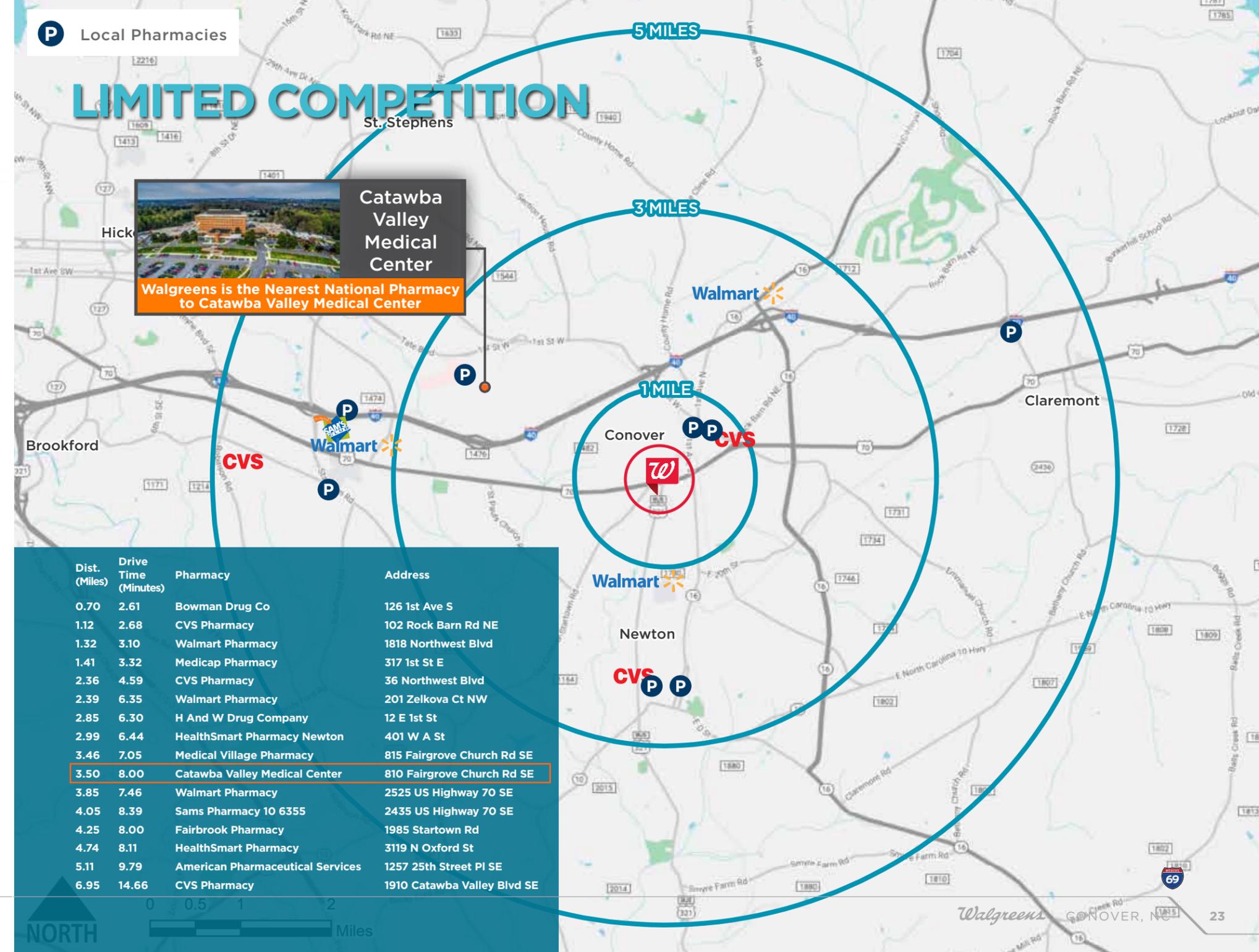
Walgreens Boots Alliance

**THE FIRST GLOBAL PHARMACY - LED, HEALTH WELLBEING ENTERPRISE IN THE WORLD**

A leading drugstore chain in the USA

The largest retail pharmacy chain in Europe

A leading global pharmaceutical wholesaler and distributor



# 04



## Market

Area Overview  
Area Demographics



# 40 MILES NORTH OF CHARLOTTE



## CONOVER, NORTH CAROLINA



**POPULATION**  
9,000



**HOUSEHOLD INCOME**  
\$52,000



**HOME VALUE**  
\$180,000,

Conover is a city located in Catawba County, North Carolina, United States. It is a part of the Hickory-Lenoir-Morganton Metropolitan Statistical Area and has a population of approximately 9,000 people, according to the 2020 census. Historically, Conover was a railroad town, and the railroad still plays a significant role in the local economy. The city has a strong manufacturing sector, with businesses specializing in furniture, textiles, and other products. Conover is also home to several parks and recreational areas, including Conover City Park and Bakers Mountain Park. The Catawba County Schools system serves the city, and there are several public and private schools in the area. Additionally, Conover is home to the Catawba Valley Community College, which offers various academic programs and continuing education courses.

Conover, North Carolina, benefits from its proximity to Charlotte, North Carolina, as it provides access to a larger job market, considering that Charlotte is the largest city in the state as well as one of the largest cities in the Southeastern United States. The commute to Charlotte from Conover sits at just under 60 minutes, providing no barriers to job seekers hoping to penetrate the extensive job market and plentiful career opportunities. Furthermore, proximity to Charlotte provides businesses in Conover with access to a larger customer base, networking opportunities, and a major transportation hub.

# CHARLOTTE, NORTH CAROLINA



Freedom Park



Referred to as the Queen City, Charlotte is a city located in the southern region of the United States, in the state of North Carolina. It is the largest city in the state and the 16th largest city in the United States by population, with an estimated population of over 900,000 people. Approximately 65% (2.54 million) of the state's population resides in the 13-county metro area. The strategic location of Charlotte allows the city to be reached by 53% of the U.S. population with only a two-hour plane ride. Consistently ranked as one of the world's best places to do business, Charlotte is a thriving economy built on a strong foundation of well-respected companies and a highly educated workforce.

Charlotte is a major financial center, with the second largest banking center in the United States after New York City. The city is home to the headquarters of Bank of America, Wells Fargo, and numerous other financial institutions. In addition to finance, Charlotte has a strong presence in energy, healthcare, and technology industries.

The city is also known for its sports teams, including the Charlotte Hornets (NBA) and the Carolina Panthers (NFL). Charlotte hosts the NASCAR Hall of Fame and the Charlotte Motor Speedway. Charlotte has a rich cultural scene, with a variety of museums, galleries, and performing arts venues. The Mint Museum and the Levine Museum of the New South are two popular museums in the city. The Blumenthal Performing Arts Center hosts a variety of performances, including Broadway shows and concerts.



In addition to the arts, Charlotte is also known for its parks and outdoor recreation areas. The U.S. National Whitewater Center in Charlotte is a popular destination for outdoor enthusiasts. The city also has numerous parks, including Freedom Park, which features walking trails, tennis courts, and a lake. Overall, Charlotte is a diverse and growing city with a strong economy, vibrant culture, and plenty of opportunities for recreation and entertainment.

## RANKINGS

Ranked **#1 TOP TECH MOMENTUM** market

Ranked **#2 LARGEST BANKING CENTER IN THE UNITED STATES** by total assets

Ranked **NO. 1 "BEST BIG CITY BARGAINS"** based on housing affordability, economic strengths and livability by Money Magazine

Ranked **#1 IN BEST PLACE TO START A BUSINESS** by Forbes Magazine

Ranked **#2 AMONGST SOUTHERN CITIES FOR COST OF LIVING** index at 96.2%

The **COST OF LIVING IN THE CHARLOTTE MSA RANKS 2.0% BELOW THE NATIONAL AVERAGE**, according to Forbes

## SPORTS



# DEMOGRAPHICS

## 2022 DEMOGRAPHICS

### POPULATION

	1 Mile	3 Miles	5 Miles	7 Miles
Total Population	3,410	20,798	46,841	90,083
Median Age	43.9	40.5	40.6	40.7

### HOUSING

	1 Mile	3 Miles	5 Miles	7 Miles
Total Housing Units	1,574	9,133	20,189	38,887
Vacant Housing Units	6.9%	8.1%	8.1%	8.1%
Owner Occupied Housing Units	57.9%	59.7%	63.8%	62.7%
Renter Occupied Housing Units	35.3%	32.3%	28.1%	29.2%

### INCOME

	1 Mile	3 Miles	5 Miles	7 Miles
Average Household Income	\$53,980	\$51,733	\$53,432	\$52,184

## 2027 PROJECTED DEMOGRAPHICS

### POPULATION

	1 Mile	3 Miles	5 Miles	7 Miles
Total Population	3,416	20,751	46,655	90,446
Median Age	45.2	41.1	41.4	41.4

### HOUSING

	1 Mile	3 Miles	5 Miles	7 Miles
Total Housing Units	1,579	9,163	20,224	39,287
Vacant Housing Units	6.9%	8.2%	8.2%	8.2%
Owner Occupied Housing Units	58.8%	60.4%	64.6%	63.3%
Renter Occupied Housing Units	34.3%	31.4%	27.2%	28.5%

### INCOME

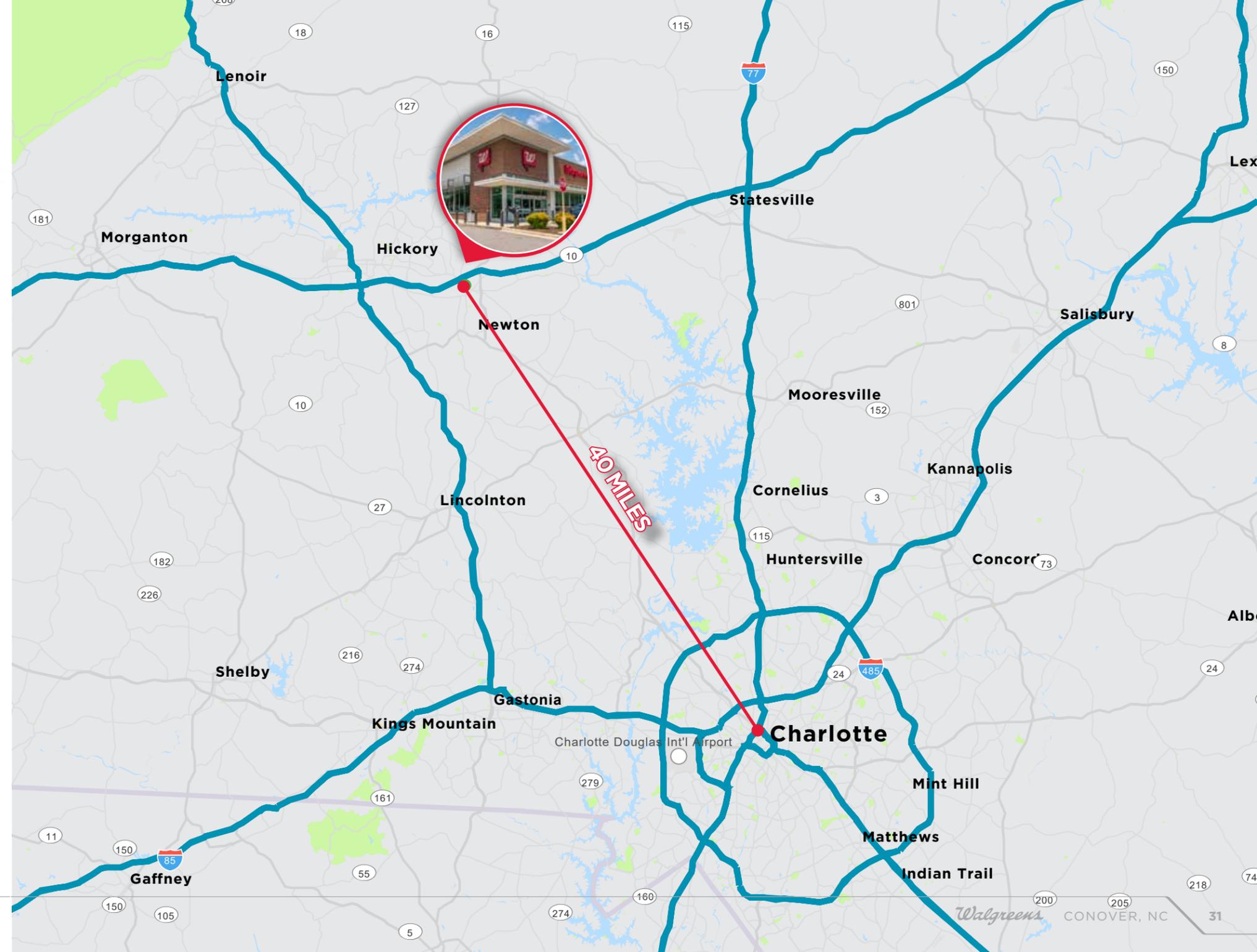
	1 Mile	3 Miles	5 Miles	7 Miles
Average Household Income	\$62,906	\$59,012	\$62,113	\$60,548



**46,841**  
Total Population  
within 5 miles



**20,189**  
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,

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*Walgreens*  
Conover, NC



# Walgreens

Conover, NC

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