

*Walgreens*

WALGREENS W/DRIVE-THRU  
INVESTMENT SALE

OFFERING  
MEMORANDUM

320 W SUMMIT AVENUE  
WALES, WI

**FOUNDERS** 3  
REAL ESTATE SERVICES

 Drone Footage







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# PROPERTY OVERVIEW

## ACCESS

- Newport Drive
- Blackwood Drive

## YEAR BUILT

- 2010

## TRAFFIC COUNTS

- WI-18: 11,300
- WI-83: 17,500

## PARCEL

- Approximately 2.01 Acres

## PARKING

- 98 Parking Spots

## ZONING

- B-2

**17,500**  
**TRAFFIC COUNT**  
 ON WI-83 DAILY

# AREA DEMOGRAPHICS

## 2024 Demographics

	1 MILE	3 MILE	5 MILE
Population	2,754	10,069	30,996
Median HH Income	\$123,975	\$124,100	\$133,095
Total Employees	790	3,009	9,785

**OVER \$123K  
 MEDIAN  
 HOUSEHOLD  
 INCOMES IN A  
 1,3, AND 5-MILE  
 RADIUS OF  
 THE SUBJECT  
 PROPERTY**

# OFFERING HIGHLIGHTS



## OFFERING

Pricing	\$5,741,748
Cap Rate	6.75%
Net Operating Income	\$387,568
Lease Types	NNN
Landlord Responsibilities	Contact Broker

## PROPERTY SPECIFICATIONS

Rentable Area	14,490 SF
Year Built/Remodeled	2010
Ownership	Fee Simple (Land and Building)
Lease Commencement	January 11, 2010
Lease Expiration	January 30, 2035
Option Terms	Ten 5-Year Options

# TENANT OVERVIEW



Walgreens is one of the largest drugstore chains.

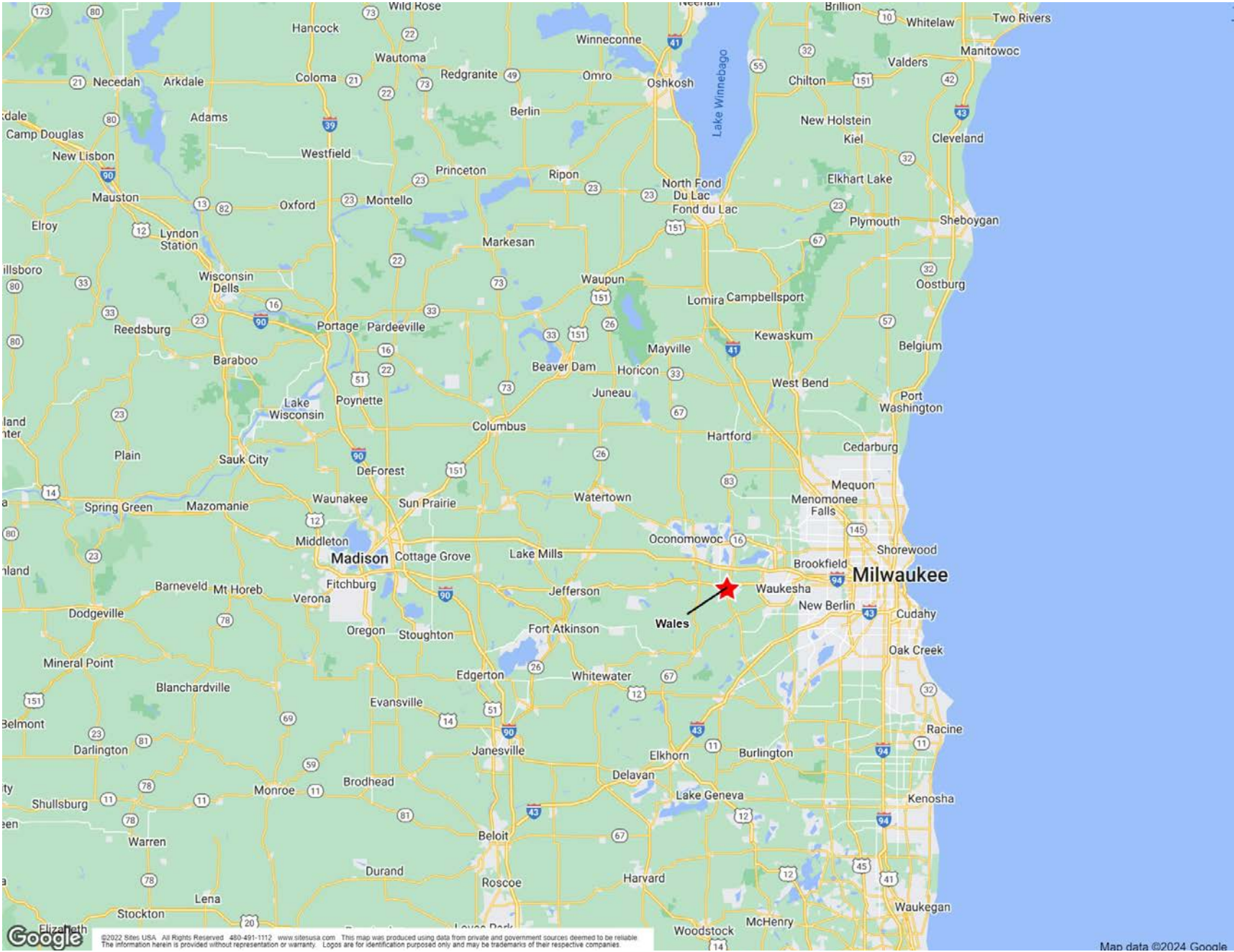
The poster-child of net lease properties, Walgreens has been a highly traded investment property given the low risks typically associated with these drugstore properties. Additionally, the drugstore sector remains stable given its non-discretionary merchandise offerings.

On the real estate side of things, Walgreens demands premier hard corner locations greater than 1.00 acre. Generally, sites are 1.5 - 2.0 acres to fit their store prototypes of 14,500 square feet, however units can range from 10,800 - 15,000 square feet. To compete with rival CVS, Walgreens has generally been willing to pay premier rental rates to secure prime sites with a primary lease term of 25 years. The most significant lease variation from Walgreens of late has been the difference in their renewal options, previously requiring eight to ten renewal options of five years in length; they recently signed a number of leases that were 75 years in length, however after the 25th year, Walgreens has an annual cancellation option, essentially creating 50 1-year renewal options. This small variation created significant concern for investors because at the end of the initial 25-year lease term, these assets will not be financeable.

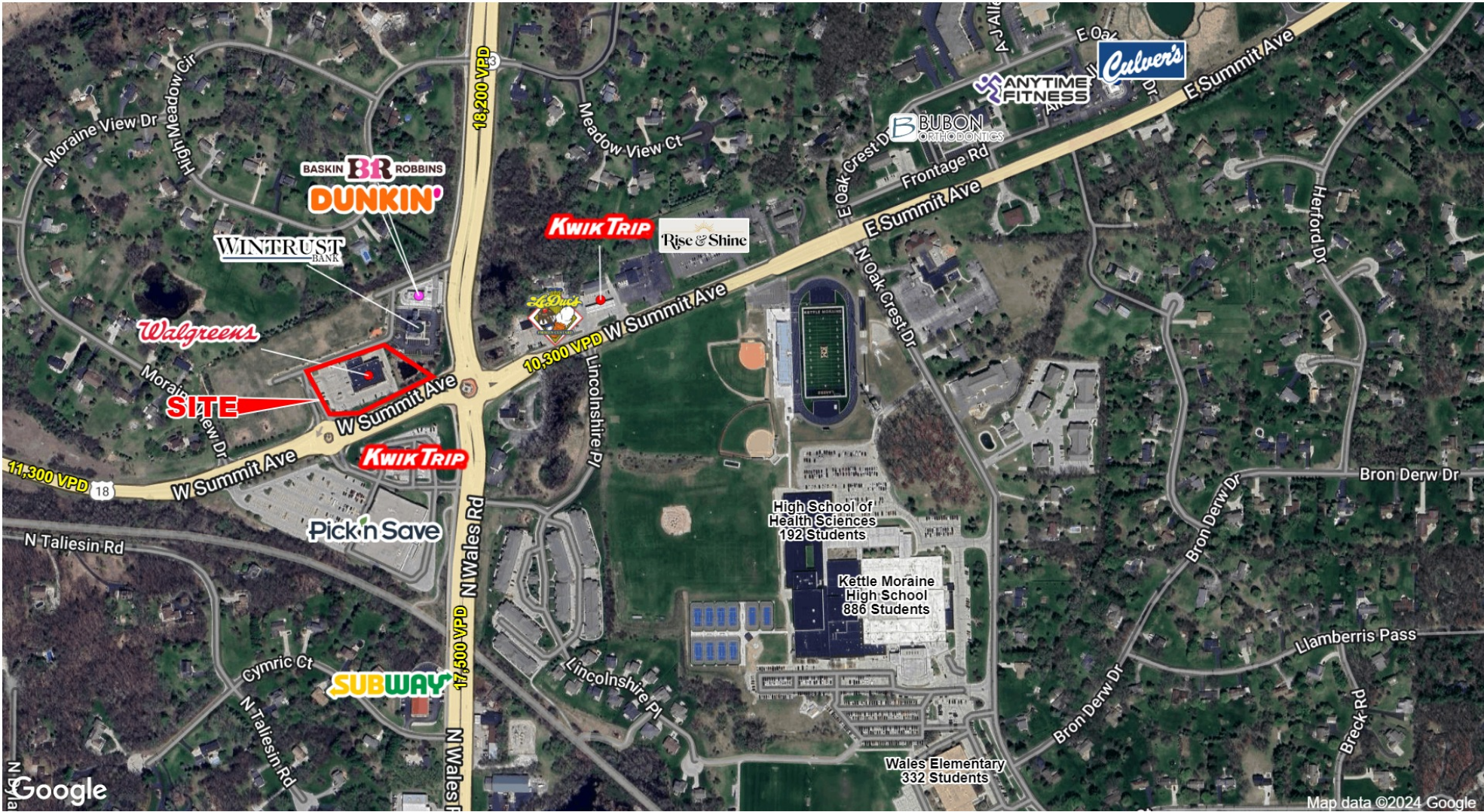
Walgreens Boots Alliance was created through the combination of Walgreens and Alliance Boots in December 2014. This transaction brought together two leading companies with iconic brands, complementary geographic footprints, shared values and a heritage of trusted healthcare services through pharmaceutical wholesaling and community pharmacy care, dating back more than 100 years. Walgreens had been in merger talks with Rite Aid since 2015. In June of 2017, the pharmacies announced the merger was off, however, Walgreens acquired over 1,900 Rite Aid locations.

Walgreens is a market leader in the US and has 8,175 retail stores which includes Walgreens and Duane Reade. Walgreens owns 15% of these retail locations and the rest are leased. Walgreens Boots Alliance stated that they will close about 200 less-profitable US Walgreens stores and open the same number of stores in new locations.

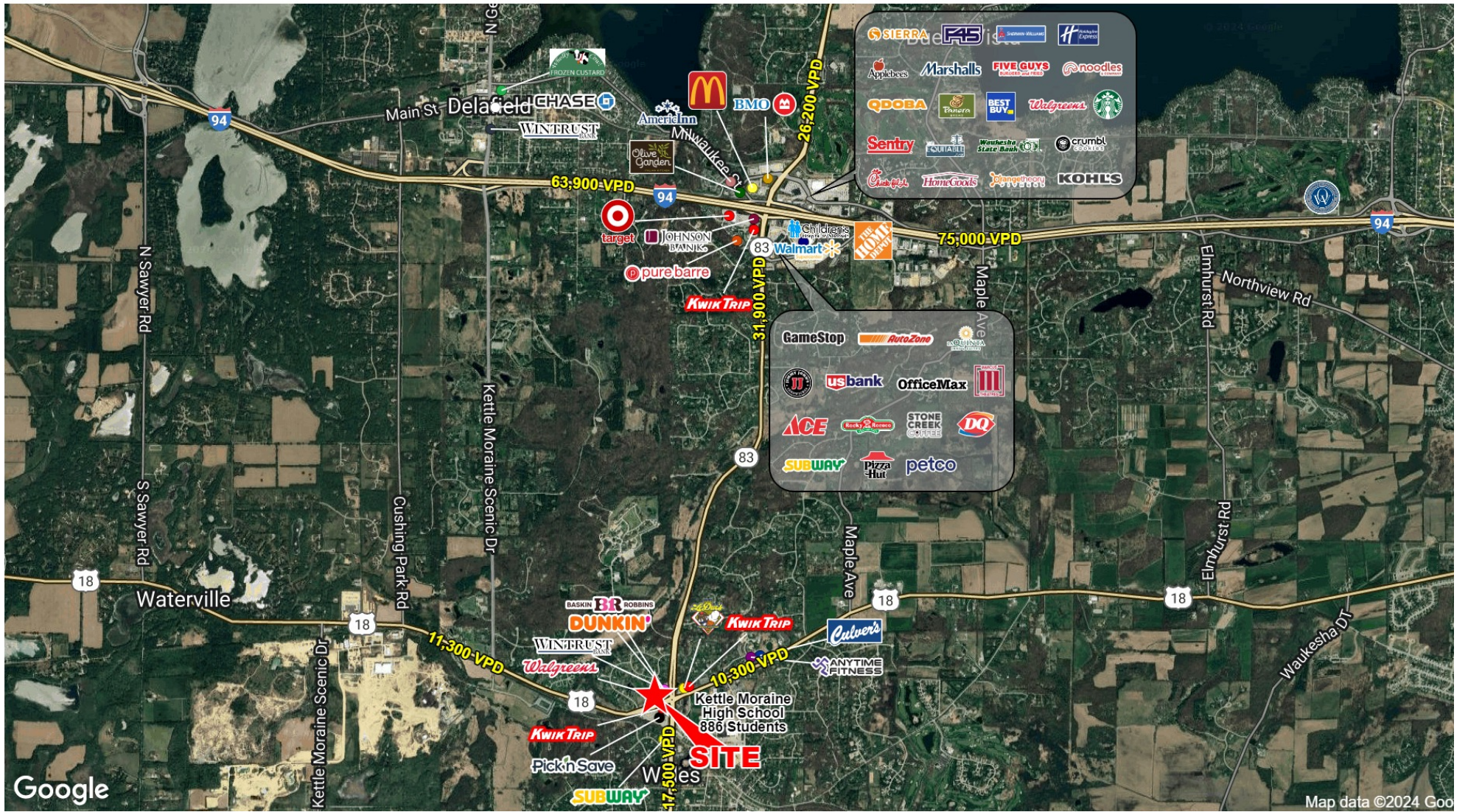














# LOCATION & MARKET OVERVIEW



## Demographics

The Village of Wales, located about 28 miles west of Downtown Milwaukee in Waukesha County, is home to a total population of 2,873. It is also about 50 miles east of Downtown Madison. The median age in Wales is 46.1 and boasts an average household income of \$157,602. It is at the heart of the Lake Country area in Western Waukesha County. The Village of Wales is part of, and benefits from the continued residential growth and regional cross shopping of greater Waukesha County; consisting of 414,002 people and an average household income of \$131,221. It is part of the Milwaukee Metropolitan Statistical Area with a total population of 1,574,731 as of the 2020 Census. The Village of Wales covers an area of 3.23 square miles. As Lake Country's name suggests, the area contains numerous lakes and forested trails.



## Industry

The area is also home to over 400 businesses including 4 hotels and an eclectic mix of retail, professional services, and restaurants. The Delafiled Brewhaus serves as a place to dine and drink, but also serves as an event and wedding venue, located in the Highway 83 shopping district. The area is also great for business with a variety of national hotels including Holiday Inn Express, La Quinta, and AmericInn by Wyndham. Delafiled also offers historic local options like the Delafiled Hotel and the Rustic Manor 1848. You'll also find 5 golf courses in the area including the prestigious Erin Hills which hosted the 2017 US Open. The one of a kind shops in the historic and charming downtown area and the Highway 83 shopping districts offer everything you could want from local artisan works to national big-brand stores.

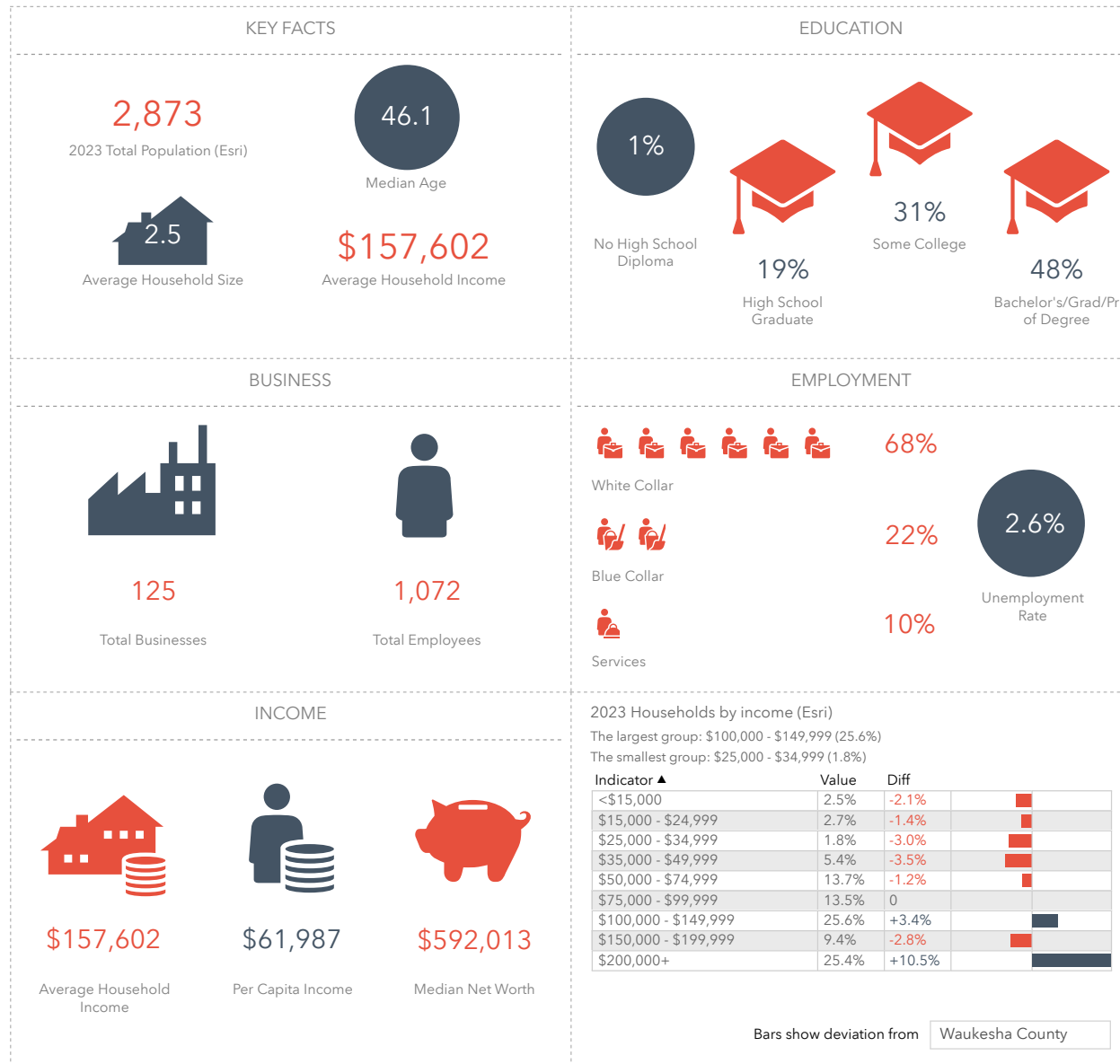
## Recreation

Wales is just south of the Kettle Moraine State Forest - Lapham Peak Unit. The area offers endless adventure with 52 miles interconnected trails for hiking, cross country skiing, and snowshoeing and numerous lakes and rivers (including the 981-acre, 90-foot deep Nagawicka Lake) for kayaking, boating, and camping. Neighboring Delafiled is home to the St. John's Northwestern Military Academy, which offers tours of its campus and The Delafiled History Center which houses exhibits on everything from Abraham Lincoln and The Civil War, to quilting, and artists such as Emily Bloom. Other entertainment includes a movie theater and Waukesha County's only outdoor performing arts theater, SummerStage, located in the Lapham Peak Unit of the Kettle Moraine State Forest.





# LOCATION & MARKET OVERVIEW - WALES



# LOCATION & MARKET OVERVIEW - WAUKESHA COUNTY

